



Luxembourg remains firmly committed to moving forward with transparency and the exchange of information for tax purposes

The Global Forum on Transparency and Exchange of Information for Tax Purposes is currently publishing the review and rating by a group of peer countries concerning Luxembourg's implementation of standards for the transparency and exchange of information for tax purposes, as defined by the Forum.

Luxembourg regrets that it has been declared non-compliant in respect of the implementation of these standards. It considers this rating to be excessively harsh, particularly in view of the Global Forum's previous observations with regard to the legal and regulatory framework put in place by Luxembourg.

Based around this legal and regulatory framework, Luxembourg has made a commitment to exchange information effectively and has extensive experience when it comes to exchanging information for tax purposes. It has a vast network of information exchange agreements in place and recently signed up to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters and its Protocol. From 2015, Luxembourg will automatically exchange information in connection with the current EU Savings Directive, applying the same system as the other European Union member states.

With regard to the implementation of the Forum's standards, a very limited number of responses have been considered to be unsatisfactory. It is important to note that Luxembourg responds to hundreds of requests for information each year (over a three-year period, Luxembourg received 832 requests, 785 of which were complied with). Moreover, the Global Forum's interim report from July 2013 duly recognised the volumes involved and the diligence of Luxembourg's responses. Whereas countries that have not received any requests or less than 5% of the volume of requests submitted to Luxembourg have been declared "largely compliant", the review and rating system lacks a proportionality criterion.

Notwithstanding the preceding observations, Luxembourg will be carefully reviewing the recommendations submitted to it by its peer countries. It remains firmly committed to moving forward with transparency and the exchange of information for tax purposes, while ensuring that legal requirements and the protection of privacy are fully respected.