



Solomon Harris

.....News Update....

No Direct Taxes in the Cayman Islands

At a public meeting held on the 29th September 2009, the Leader of Government Business for the Cayman Islands confirmed that **there would be no direct taxes in the Cayman Islands.**

After days of negotiations with the United Kingdom for approval to the Cayman Government accessing additional loan facilities from various banks already lined up by the Cayman Government, the UK finally agreed to additional borrowings. The Cayman Islands Government also announced however, that their new budget would bring a small surplus in revenue for the 2009/2010 year as a result of cuts in expenditure to be undertaken in addition to new government fees, amongst other measures, to increase general revenue.

The Cayman Islands Government and the Cayman Islands strong private sector have remained resolute that they do not support direct taxation in the Cayman Islands.

Moody's recently reconfirmed the Cayman Islands Aa3 rating of the Islands and its 'stable outlook' for the Islands. The Islands also firmly secured its listing on the 'White List' of the OECD as a compliant jurisdiction and was recently appointed to the OECD's Global Forum Steering Group accordingly.