

The Ambassador



September 3, 2014
was-cdp/039-2014

Dear Representative Kaufmann,

I'm writing to you with regard to the Memorandum of the Department of Revenue of July 16th, 2014 on Corporate Tax Water's Edge Election - Tax Haven Countries. In this report the Department of Revenue and Transportation recommends: "to remove the Netherlands Antilles from the list (of tax havens) as the jurisdiction was dissolved in 2010 and replace it with the Kingdom of the Netherlands. The Kingdom of the Netherlands is a sovereign state that includes: Netherlands, Bonaire, Sint Eustatius, Saba, Aruba, Curacao, Sint Maarten (Saint Martin)".

The Department correctly recognizes that in 2010 the former Netherlands Antilles (consisting of Curacao, Sint Maarten, Bonaire, Sint Eustatius and Saba) were dismantled, which entailed a modification of the internal constitutional relations within the Kingdom of the Netherlands.

The Kingdom now consists of four parts: Aruba, Curacao, Sint Maarten and the Netherlands. The dissolving of the Netherlands Antilles meant that Curacao and Sint Maarten, like Aruba before, enjoy internal autonomy in all areas apart from Foreign Affairs and Defense, which are the responsibility of the Kingdom. The Netherlands consists of a European part and a Caribbean part, the latter comprising the islands of Bonaire, Sint Eustatius and Saba. These three islands are governed by the Netherlands. Enclosed is an information guide on the new constitutional structure from 2010 (updated April 2014).

The proposal of the Department to replace "Netherlands Antilles" with "Kingdom of the Netherlands" would therefore not be the correct wording for the successor jurisdictions of the Netherlands Antilles.



Furthermore, I would like to point out that the government of Aruba has on an earlier occasion requested your committee to be removed from the list of tax havens. I enclose their letter of September 11, 2012. The government of Curacao, as one of the successor states of the Netherlands Antilles next to Sint Maarten, will update your committee in the near future in a separate letter to explain (and reiterate) why they regard any qualification as tax haven as inaccurate and inappropriate.

I would highly appreciate it if your committee would take this information into account in its legislative process. I remain available to answer any additional questions. Please do not hesitate to contact me (or Annette Deckers) directly.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Rudolf Bekink', with a large, stylized initial 'R' and 'B'.

Rudolf Bekink

The Honorable Christine Kaufmann
Chair, Revenue and Transportation
Interim Committee
P.O. Box 201706
Helena, MT 59620-1706

(Cc: Mr. Mike Kadas, Director, Montana Department of Revenue Mitchell Building)

Royal Netherlands Embassy, Ambassador's Office,
4200 Linnean Avenue N.W.
Washington DC, 20008. Tel. (202) 274 2501