

# Tax Authorities Clarify Disclosure of Beneficial Ownership Information

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The tax authorities have published an information guide (the Guide) on the method, form, extent (depth) and periodicity of disclosure of information on beneficial ownership (BO) for Income Tax Act purposes. The Guide is issued in the form of a recommendation and informs on the minimum expected documentation by the tax authorities in respect of BO.

In the Guide, the tax authorities remind taxpayers that the information on BO must be submitted on request and does not need to be filed automatically with the tax returns. The tax authorities explain that the method, extent and periodicity to disclose the BO information may vary in each case and depends on individual circumstances and potential risks of cross-border operations. Further on, the Guide summarizes the interpretation of BO terms and gives examples of entities that cannot be considered BOs, as well as lists possible indicators and also examples of risky cross-border relationships and transactions.

The tax authorities remind taxpayers that it is their responsibility to assess the level of risk of the transaction and to prepare the adequate supporting documentation.

In low-risk cases, it may be enough to have an affidavit by the recipient of income prepared in accordance with the recommended template provided in Annex 1 to the Guide or have another type of credible confirmation, prepared in a way that is more suitable and effective for the taxpayer.

In moderate risk cases, it is recommended to assess the status of the recipient of income on the basis of evaluation survey/questionnaire (the sample of which is provided in Annex 2 to the Guide), as well as publicly available information, such as financial statements and annual reports.

In high-risk cases, in addition to an affidavit and completed questionnaire by the income recipient, the taxpayer needs access to relevant support documentation, the tentative list of which is provided in Annex 3 to the Guide.

The tax authorities note that these requirements are not exhaustive and additional information may be required in the process.

Guide 3/MZ/2023/I was published on 24 August 2023 and is available [here](#) (in Slovak only).

