

FISCAL PARADISE

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Fiscal paradise is a country or its part, carrying out low taxation, or which taxation fully absents in. Reason of such choice is interest and desire to attract international investors and their capital, offering low taxes or their absence in exchange. Creation of enterprises (for example, off-shore company) in these jurisdictions quite often is an advantageous decision for organization of business. Many of these countries give possibility to produce bearer shares, guaranteing the greatest degree of confidentiality, facilitated requirements of creation and conduct of company, and also favourable rules to get licenses for giving financial services (for example, for investment funds).

It is necessary to classify fiscal paradises as follows: 1) Absolute fiscal paradise – taxes absent fully, or it is need to pay only nominal sum. These jurisdictions guarantee a bank secret and not exchanged information with other countries; 2) No taxation on Foreign Income (foreign profits are not assessed taxes) – taxes assess that profit which was got on territory of country exceptionally; 3) Low Taxation — is low taxes on a profit, got in any country of the world; 4) Special Taxation — are countries, which normal (considerably high) taxation is used in, but which allow to create some structures, not taxable taxes or with low taxation.

These jurisdictions are attracted by multinational companies and small enterprises for optimization of taxes, and diminishing the cost of conduct of business and higher profits. However, criminal organizations are interested in these jurisdictions.

The purpose of international organizations and international cooperation is to create new laws and norms for a fight against criminal activity, but it is very important not to limit by them absolutely legal activity of other enterprises, because the half of world riches is concentrated in off-shore areas. If it will be forbidden these companies to continue to work in off-shore areas, it not only will entail great deceleration of development of companies but also whole countries in which they conduct the activity. It is necessary to create correct international laws, which control criminal activity and allow to improve international cooperation.

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