



CURAÇAO TRUST

1. Jurisdiction Curaçao

Curaçao is one of four countries¹ within the Kingdom of the Netherlands. The system of government of Curaçao is that of a parliamentary democracy based on the Dutch model. The court of jurisdiction is the Joint Court of Justice for Aruba, Curaçao, Sint Maarten and the BES-islands (Bonaire, Sint Eustatius and Saba). This court consists of the District Court, the Court of Appeals and the Supreme Court. There is a right of appeal to the Supreme Court in The Hague, the Netherlands. The legislation in Curaçao is also based on Dutch civil law.

Curaçao is not on any gray or blacklist of the European Union or OECD. Legal entities are in principle subject to Curaçao profit tax. The general profit tax rate is 22% (year 2021).

2. Curaçao Trust

The Curaçao Trust (“Trust”) is a legal relationship created - inter vivo or upon death - by a person, the settlor, when assets are placed under the control of a trustee for the benefit of a beneficiary or for a specified purpose.

¹ Aruba, Curaçao, Netherlands and Sint Maarten

A Trust can be used for multiple purposes, e.g. as investment trust, pension fund, for asset protection, time sharing, as charitable trust, college fund for children, as an umbrella fund or a protected/segregated cell variant.

A Trust is created by notarial deed drafted by a Curaçao notary. The notary is obliged to register the Trust in the local Chamber of Commerce register. The deed can be drawn up in Dutch, English and Spanish and must include at least the following particulars:

- a) the specified purpose;
- b) the appointment of at least one (legal) person residing or established in Curaçao as trustee(s) and the acceptance of this appointment by the Curaçao trustee;
- c) a provision in which it is stipulated that the Trust will always have a Curaçao trustee;
- d) a description of the assets of the Trust;
- e) the name of the Trust, which should include the word ‘trust’.

Upon creation, the settlor may reserve himself certain rights and powers with regard to the assets of the Trust. Adjusting the particulars of a Trust or revoking a Trust are solely possible if allowed for and carried out by a person mentioned in the trust deed. An amendment of the trust deed or revocation thereof is also done by notarial deed. Individuals and legal persons may act as trustee. A settlor or trustee may be a beneficiary although a trustee may not be the sole beneficiary. A trustee is obliged to carry out his duties and to manage the assets of the Trust in accordance with the laws and the particulars of the deed.

Individuals and legal persons can be beneficiaries. Even persons not yet born, or entities not yet incorporated can be appointed as beneficiary as long as they are sufficiently determinable. If the appointment of the beneficiary is irrevocable and without counter consideration and the beneficiary is aware of this appointment, this appointment is considered accepted by the beneficiary unless the beneficiary explicitly rejects the appointment.



A Trust may have one or more protectors. Both individuals and legal persons may act as protector. A protector may never be the sole beneficiary or trustee. In addition, a trustee is not allowed to appoint a protector.

Curaçao taxes on contributions to a Trust

A Trust receiving assets from a non-resident of Curaçao is not subject to Curaçao taxes.

Curaçao taxes on income received by the Trust

Under the condition that a Trust does not carry out an enterprise, income, including capital gains, generated by a Trust is not subject to Curaçao profit tax. In other words, a Trust should hold its assets passively to remain exempt from taxation.

Curaçao taxes on payments to foreign beneficiaries

A non-resident beneficiary of a Trust is not taxed in Curaçao on distributions received from a Trust.

No withholding taxes

Curaçao does not levy any withholding tax. Payments made by the Trust to a beneficiary are therefore not subject to withholding.

3. Privacy and exchange of information

In Curaçao the names of beneficiaries or financial statements of a Trust are not deposited in a public register. Although beneficiaries have to be recorded in the administration of the Trust and mentioned in the annual profit tax return, this information is not accessible to public. Curaçao is a signatory to the Multilateral Competent Authority Agreement (“MCAA”) and has committed itself to implementing the Common Reporting Standard. By signing the MCAA, Curaçao also committed itself to exchange information with all the other signatories to the MCAA.