



TECHNICAL POSITION PAPER ON THE VALUE ADDED TAX OF SECURITIZATION VEHICLES

By LuxCMA Task Force – VAT

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INTRODUCTION

The object of this note is to inform concerned persons about the VAT position of securitization vehicles (SVs) in Luxembourg. This note is based on information available at the date of its preparation. It does not replace the necessary analysis of each case and the proper documentation. This note reflects the information available to LuxCMA to date on the subject matter. This information may and will most likely continue to evolve in one way or another. Being purely informative, this note should not be construed as legal advice rendered by LuxCMA and its members nor should it be interpreted as reflecting the views of LuxCMA and its members.

While the VAT task force acknowledges that there is no unanimity among tax law professionals in Luxembourg, the positions taken in the paper are considered, within the group, as reasonable and defensible based on the current law. Lines of argumentation and conclusions summarized are not meant to be used in a different context than the ones analyzed in this paper.

Any changes in law or administrative statements or judgements by Luxembourg courts may require an update of the analysis.

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Task Force – VAT

The aim of this task force is to compare the VAT treatment on the management fees relating to Collateralized Debt Obligations (CDO) and Collateralized Loan Obligations (CLO) transactions in Luxembourg and other jurisdictions and to see whether the views on the Luxembourg VAT treatment can be aligned.

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