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Professional, Confidential, Trustworthy and Friendly

GCSL - We are here to CONSULT and Serve You!



### JACK'S CORNER

**Rebuttable presumption:** As many of our readers know, three USA Senators (Levin, Coleman and Obama) have recently proposed a Bill "To restrict the use of offshore tax havens and abusive tax shelters to inappropriately avoid Federal taxation, and for other purposes." The short title is "Stop Tax Haven Abuse Act". In many ways, I do not have a problem with the Bill in as far as it seeks to identify, investigate and prosecute inappropriate use of offshore vehicles whether for tax evasion or manipulation of securities laws. I do have many problems with the procedures of the Bill. I also do not like the resurrection of a "black list" in the form of a list of "offshore secrecy jurisdictions". However, I digress. Let's focus on the the language regarding "rebuttable presumption". In law, a "rebuttable presumption" is an assumption that is taken to be true unless the relevant person contests and proves it to be otherwise. For the purposes of the Bill, I reproduce below some of the language for your reference.

*"For purposes of any United States civil judicial or administrative proceeding to determine or collect tax, there shall be a rebuttable presumption that a United States person (other than an entity with shares regularly traded on an established securities market) who directly or indirectly formed, transferred assets to, was a beneficiary of, or received money or property or the use thereof from an entity, including a trust, corporation, limited liability company, partnership or foundation (other than an entity with shares regularly traded on an established securities market) formed domiciled or operating in an offshore secrecy jurisdiction, exercised control over such entity... The presumptions established in this section may be rebutted only by clear and convincing evidence, including detailed documentary, testimonial, and transactional evidence... Any court having jurisdiction... shall prohibit the introduction by the taxpayer of any foreign based document that is not authenticated in open court by a person with knowledge of such document, or any other evidence supplied by a person outside the jurisdiction of a United States court, unless such person appears before the court."*

*Ouch! That is a mouthful as I combined what I consider to be the relevant language from several different, but connected, paragraphs. The bold language is worthy of note.*

- 1. "other than an entity with shares regularly traded on an established securities market": Oh my, it now seems that equal protection of the law in the USA is the exclusive domain of publicly quoted/listed companies. Ordinary people and private companies, well, as my Contracts professor said in law school "TUFF, life ain't fair".*
- 2. "directly or indirectly formed, transferred assets to, was a beneficiary of, or received money or property or the use thereof from an entity, including a trust, corporation, limited liability company, partnership or foundation": It seems exceedingly odd that ordinary people and private companies, which make up the overwhelming majority of members of the largest economic power in the world, should be worried about being subjected to the scrutiny (some might say "tyranny") of the USA Internal Revenue Service ("IRS") simply because he/she/it decided to form or pay or receive payment from an entity in an offshore secrecy jurisdiction. People who have been the subject of an IRS audit, investigation or prosecution, will tell you that they lost... despite the fact they were eventually found in compliance and were acquitted... such was the experience. By the way, if a USA person received a payment (let's say a refund) from a hotel in Switzerland, then I gather the IRS would have cause to initiate an audit, investigation or, hey why not, a full-blown prosecution.*

3. "offshore secrecy jurisdiction": I do not like these sort of lists as they often involve little thought, are based on rumors and the decisions are often made by people in the USA who do not even have a passport!!! Hong Kong and Singapore are on the list? C'mon, fellas...let's include Delaware and Nevada given most Americans know little of geography and the drafters might be convinced these "secrecy jurisdictions" are, in fact, offshore 😊

4. "clear and convincing evidence": In the USA, the burden of proof is usually "preponderance of evidence" for civil cases and "beyond a reasonable doubt" in criminal cases. It is probably fair to say that "clear and convincing evidence" is the mid-level between the civil and criminal standards. It seems a bit unfair to make it so easy for the IRS to go after a taxpayer and to create this "rebuttable presumption" simply because the taxpayer engaged in some sort of conduct with a non-USA person. Government is to be respected. It seems to me this Bill seeks to govern by fear that one will not be able to meet the burden of proof simply for investing in a non-USA, private company and receiving a distribution.

5. "shall prohibit the introduction by the taxpayer of any foreign based document that is not authenticated in open court by a person with knowledge of such document, or any other evidence supplied by a person outside the jurisdiction of a United States court, unless such person appears before the court": First, this language, in effect, denies the authenticity of a "foreign based document" despite the fact it may be issued by a recognized, sovereign state. Second, this language, in effect, extends personal jurisdiction of an USA court over a foreign person. If he/she is unwilling to take the time and spend the money, then the taxpayer loses...despite the fact the "foreign based document" may be wholly authentic.

Something wrong here, folks. If you want a copy of the Bill, please send me an email.

Onwards and upwards...I hope...



## GCSL NEWS

### **GCSL COOK ISLANDS NOW LICENSED – PUAJ COMES BACK TO LIFE!!!**

February 2007 – at the very time the Year of the Pig was being hailed in, there were celebrations of a different kind going on in the Cook Islands – and indeed in GCSL offices right around the globe. February was the month that GCSL was formally licensed to conduct business as a Trustee Company in the Cook Islands.

GCSL now holds the seventh trustee license in the Cook Islands. Some would argue that "7" is a lucky number, but for Puai Wichman, Managing Director in the Cook Islands, it's nothing to do with luck – it's his destiny! E-mails from all directions poured in to congratulate GCSL, both in the Cook Islands and in Hong Kong. Jack, who was in Hong Kong when the news broke, could be heard ordering champagne by the case at 9.49am...you know our CEO 😊

For those aware of the background in the Cook Islands and the path to licensing, you will know why there were tears of joy as husband and wife team, Puai Wichman and Tai Ngari, hugged each other to celebrate this momentous occasion. The Year of the Pig bodes well for these two native Cook Islanders as they hail in a new era for the Cook Islands offshore jurisdiction. Indeed under the Chinese almanac, the signs are very good for Puai, a fire sheep.

GCSL is not the only new thing to occur in the Cook Islands. There is also a new Commissioner at the Financial Supervisory Commission, a Ms Lorraine Allan. Already she is being touted as a mover and shaker by industry insiders, and certainly brings with her some fresh ideas about growing business in the Cook Islands – a very good sign indeed!! In the very short time since her arrival, GCSL has been impressed with the energy and vision of the new Commissioner. GCSL would like to bid Lorraine a very warm welcome to the Cook Islands and promises to help her grow business to the jurisdiction.

Also new and shortly to be completed, is a very beautiful looking Police National Headquarters. The new three storey building is a representation of a new wind of change and enthusiasm sweeping the Cook Islands, with the new building providing a unique backdrop to GCSL's offices, right smack in the middle of town on the main Island of Rarotonga. Things are all falling into place for GCSL in paradise.

Catch the new wave of change, and be on the lookout for new and exciting things to come out of the Cook Islands. Kia Manuia.

### **GCSL SAMOA HAS A NEW GLOBAL GAL**

The Year of the Pig was welcomed in style in Samoa, with the Global Girls welcoming a new member to the team, the happy-go-lucky and ever-smiling Ms. Kuini Kehaulani Moberg. In Samoa we say: Ia Manuia le Tausaga Fou. In Hong Kong, we say: great to have another Global Gal as a member of the Global Family 😊

## AOA WWW SITE

The Asia Offshore Association is back online with a new look, new functionality, new Executive Committee and a new Global Advisory Board. The new Members Only section will be sure to please as it will include articles, country updates and more for our loyal members. Please visit [www.asiaoffshore.org](http://www.asiaoffshore.org) for a browse!!! And smile as you no doubt conclude that "Jack's secret weapon" (aka Marina) is the true brains and heart behind the AOA and its new WWW site!!!



## EUROPE UPDATE

### GERMAN INHERITANCE LAW UNCONSTITUTIONAL

German inheritance law unconstitutional – Germany's highest court, the Federal Constitutional Court in Karlsruhe, ruled on January 31, 2007 that the German inheritance law is unconstitutional and must be amended by the end of 2008 to a system which levies inheritance taxes on the full market value of property and businesses. Under current law, houses, land or businesses are taxed at only half of their value, while estate taxes on liquid assets are assessed at full value. The judges held that this current system can operate only through the end of 2008, after which time a new inheritance law will be necessary which equalizes the value of all inherited assets for tax purposes.

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## HONG KONG UPDATE

### A MODEST PROPOSAL

The Association of Chartered Certified Accountants of Hong Kong has suggested to the government that profits tax be assessed at 8.5% on companies in the finance, logistics and new technology industries in an effort to attract firms to setup headquarters in the territory.

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### HONG KONG : AN ELECTION FOR CHIEF EXECUTIVE

Every five years, Hong Kong holds elections for the Chief Executive (head of government) in accordance with the Basic Law. The election, as in many democracies, is not based on "one person – one vote", but an electoral committee that has been subjected to quite a bit of criticism, both locally and internationally, since inception. Under the Basic Law, the electoral committee consists of 800 representatives from a cross section of industries and professions. The primary criticism of the electoral committee is the representatives are largely chosen and appointed by what has been termed "the pro-Beijing camp", thus ensuring the outcome of the election. During the February nomination process, the current Chief Executive, Donald Tsang, won the overwhelming number of nominations (641 out of 798). The sole opponent, lawyer Alan Leong, managed to secure 132 nominations. The election in mid-March, in the view of local "democrats", has already been decided due to the outcome of the nominations. Having said that, the candidates recently held a live debate on the issues and many viewers were unimpressed with the incumbent. Perhaps some of the electoral committee members will change their votes after the debate? Unlikely, but such is the current system.

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## TO KEEP OR NOT TO KEEP

Have you ever wondered what happens to your files at a trust company both during the time you are a client and after you no longer require the services of a trust company?

You may think that trust companies keep your files or copies of your files forever, but in reality we do not. The length of time we keep the files is based on the laws in the jurisdictions in which we are working as well as that of the company itself. The laws relevant are the local Company acts and Inland Revenue requirements. These can and often do differ.

It is not prudent to retain files that a trust company at law is not required to. Not only does it cost, for example, in Hong Kong, a certain amount of money in terms of storage space, keeping files unnecessarily could give a client a cause of action against a trust company in the event of law enforcement conduct or a situation where a wayward employee misuses that information that should have been discarded years earlier.

In Hong Kong, the law is not that clear regarding keeping records in instances that are relevant to the operation of trust companies.

If the company is formally dissolved, then the last known director has the responsibility under the Companies Ordinance to keep books and papers for five years. There is no requirement under the Inland Revenue Ordinance to keep records at all on dissolution.

In other instances, the law dictates generally that records must be kept for seven years from the date of the transactions taking place. The law applies differently to company secretaries and directors. In some cases the directors are liable and the secretary is not.

This is complicated further by transfers of files between secretaries of trust companies and directorships.

Industry practice is to hand over just the files relating to statutory documents. However the law as it relates can bring into action records that are up to seven years old, bringing with it obvious handover issues as to who must keep the correspondence for the seven years. These are questions that need to be asked by the client as there are legal implications in varying circumstances that need to be considered.

These are laws that also need to be clarified by legislators and regulators to ensure certainty for clients and trust companies.

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## MACAU UPDATE

### PANSY HO GETS A THUMBS UP FROM NEVADA

Pansy Ho, a daughter of the always interesting and often controversial Stanley Ho, was given a thumbs up by the Nevada Gaming Commission in relation to her joint venture with MGM Mirage to develop a USD1.1 billion casino in Macau. MGM Mirage, which is licensed in Nevada, had to obtain this clearance before moving forward. The key point was to demonstrate that Stanley Ho, who held a gambling/gaming monopoly in Macau for four decades and still dominates the local industry, would not be involved in the Pansy/MGM project. This largely reflected the somewhat negative viewpoint held by the Nevada Gaming Commission of Stanley Ho, who is estimated to be worth USD6.5 billion. Watch this space – many commentators have wondered whether or not blood is thicker than water!

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## CHINA UPDATE

## **NEW YEAR CONSUMER CONSUMPTION PEAKS**

Just as consumer spending increases in the West around Christmas, the Chinese consumer spending peaks around the usual January / February Chinese New Year celebrations. This year, retail sales of consumer goods in China rose 15 percent year-on-year to RMB220 billion (approximately USD28.2 billion) during the "golden week" holiday.

Similar to USA Thanksgiving, the Chinese festive season traveling also rises as workers return home and families go on vacation. During the 7 day "Golden Week", 92.2 million tourists traveled across the country, a year-on-year rise of 17.7% according to the China National Tourism Administration. China's airlines and railways sold a combined 30 million tickets. A total of 29,302 flights carried 3.71 million people, while trains carried passengers amounting to 3.75 million per day. Meanwhile, automobiles carried 227 million passengers.

More than 2.79 million tourists visited Shanghai bringing in RMB2.13 billion (approximately USD274 million) in tourism revenue for the city. Beijingers spent RMB15.69 billion (approximately USD2.02 billion), up 20% from previous year. With such consumption figures providing the national economy a big boost, it is no wonder that they introduced two additional Golden Weeks (May 1 Labor Day holiday and October 1 National Day holiday) to encourage consumer spending for the benefit of economic growth. All these holidays in the name of economic growth – what a Pig of a year it is for the Chinese!

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## **CHINA STOCKS - WHEN CHINA CATCHES A COLD, THE WORLD SNEEZES**

The Year of the Pig got off to a rocky start for investors worldwide. Last Tuesday (28th February) saw global share prices drop faster than you can say "Kung Hei Fat Choi" - may you have a prosperous New Year.

Last week, Wall Street lost more than 500 points, the FTSE fell more than 300 points and Japan's Nikkei surrendered all the gains it had made since the turn of the year, falling back below 17,000 today (5th March). What started this global sell off is the overheated Shanghai stock markets which tumbled 8.8% when officials muted a capital gains tax on stock market earnings to clampdown on rampant speculation which has seen a rollercoaster 14% move up in the week before last week's "Black Tuesday" plunge. In an (understated) statement to calm investors fears, the head of Shanghai exchange was quoted as saying "Every year, every day the market goes up and down...I think the sharp drop was a normal correction by the stock market," - rational exuberance indeed.

But as the Chinese sneeze was contagious worldwide, other markets have still caught the cold. Hong Kong's Hang Seng Index lost 4% drop, a - 777 point drop today (5th March), the largest trading loss since 9/11.

It would appear that this signals a coming of age for China economy and its stock markets. Just as US economy has dominated global markets with analysts watching for every sign of strength or weakness, the influence of the China as the world's 4th largest economy is felt now globally. We highlighted the China stock mania in our January 2006 article CHINA STOCK MANIA - BUBBLE OR TREND? - where we mentioned speculative bubbles tend to burst spectacularly.

Still China officials denied that their stock markets now carry such significance. "China's stock market right now is relatively small and not very globalised. So it's not possible for it to have such an impact," said Shang Fulin, chairman of the China Securities Regulatory Commission (CSRC). While he maybe right technically, physically - China has sneezed and the world has still caught a cold.

## **WTO – OIL COMMITMENTS**

China is planning to open its crude and refined oil market to the world this year in accordance with its WTO commitments. Foreign investors, in theory, will have the opportunity to access China's oil market with their money, technology and services. The same opportunity will be offered to the domestic private enterprises.

## **CHINA MOTER VEHICLES MARKET**

According to statistics from the General Administration of Customs, China imported 228,000 units, or USD7.55 billion of motor vehicles, and exported 342,400 units, or USD3.14 billion of motor vehicles in 2006. More cars exported than imported reflects the fact that Chinese-made vehicles are cheaper.

## **A LOT OF GAS OUT WEST**

Xinjiang, the northwest region of China, reported gas production of 16.1 billion cubic meters in 2006, which made it the number one gas producing province in China. Three major fields - Tarim, Karamay and Tuha - produced 11 billion, 2.88 billion and 1.65 billion cubic meters of gas, respectively. Xinjiang has an estimated 10 trillion cubic meters of natural gas reserves, which accounts for a quarter of China's total.

## **NO ONE LIKES TAXES!!!**

Chinese regulators quickly denied rumors of plans for a 20% capital gains tax on stock investments immediately after Chinese shares took their biggest tumble in a decade, with both the Shanghai and Shenzhen exchanges falling by nearly 9%...ouch!

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## **SINGAPORE UPDATE**

### **SINGAPORE'S NEW CORPORATE STRUCTURE FOR 2007**

The Singapore Government in its Budget release on 15th February 2007 handed out fiscal goodies aimed at giving Singapore's underclass a leg-up and honing the country's competitive edge to make it the best place to do business.

The key features of the Budget – including a corporate tax cut – were well-flagged but still widely hailed as generous, progressive and innovative, especially for small and medium enterprises (SMEs). Making his Budget debut, Second Finance Minister Tharman Shanmugaratnam, cut the corporate tax rate to 18 per cent, because global competition is heating up and event putting pressure on countries like France. The two percentage point cut – effective from Year of Assessment 2008, will cost the government more than S \$800 million.

Many observers believe that, in time, this corporate tax rate will be brought down to as low as 15% as the Republic is perceived to move away from direct taxation to indirect taxation.

But the icing on the cake is an increase in the partial exemption limit that means that almost 80% of taxable companies in Singapore will pay an effective tax rate of less than 10% – below even Ireland's 12.5% and Hong Kong's 17.5%.

All start-ups will enjoy three years of tax exemption on the first S\$100,000 of chargeable income. Singapore is seeking to become one of the most competitive locations in the world for SMEs and start-ups and to be the best place to start and grow a business.

The highlights of the Budget include the following:

- a) Corporate tax rate cut by 2 percentage points to 18% from Year of Assessment 2008; and
- b) Corporate tax exemption threshold raised from S\$100,000 to S\$300,000 from Year of Assessment 2008, with the following exemption rates:
  - 75% exemption for first S\$10,000 of chargeable income;
  - 50% exemption for next S\$290,000

Singapore has been successful attracting multinationals and is now focusing on the SMEs. This will likely be great news for Singapore as it re-invents itself as the next Switzerland of the East. This move would certainly encourage the use of more company structures in the overall scheme in financial planning and also in investments.

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## **THAILAND UPDATE**

## THAILAND: THE GUIDE TO DOING BUSINESS IN THAILAND

Michael is a Friend of Jack and GCSL, exceptional lawyer (yes, he is the second one to be born in Arkansas...can you name the other?), able to speak, read and write Thai (no easy task), partner of the prestigious Thailand law firm of Seri Manop & Doyle ([www.serimanop.com](http://www.serimanop.com)) and great all around guy who has lived in Thailand for more than ten years and has learned how to get things done the legal and practical way in the Land of Smiles. His book entitled Doyle's Practical Guide to Thailand Business Law has won rave reviews from many a CEO of large multinationals and small businesses alike. Below, we provide an excerpt of his chapter on What are the Tax Issues Affecting Cross Border Transactions?

This chapter focuses on two big issues concerning cross border transactions involving Thailand companies:

- i. Using tax treaties to minimize standard Thailand withholding taxes in common transactions; and
- ii. Thailand's transfer pricing rules.

Thailand participates in double tax treaties with the following countries:

Australia	Austria	Bangladesh	Belgium	Canada
China	Czech Republic	Denmark	Finland	France
Germany	Hong Kong	Hungary	Italy	India
Indonesia	Israel	Japan	Luxembourg	Laos
Malaysia	Mauritius	Nepal	Netherlands	New Zealand
Norway	Pakistan	Philippines	Poland	Romania
Switzerland	Singapore	South Africa	South Korea	Spain
Sweden	Sri Lanka	United Kingdom	USA	Uzbekistan
Vietnam				

If you would like to purchase the book, communicate with Michael about doing business in Thailand or just listen to Michael's yarns about his interesting life in Thailand over the last decade, please contact him at [Michael@serimanop.com](mailto:Michael@serimanop.com).



## OFFSHORE UPDATE

### THE ANGUILLA LIMITED LIABILITY COMPANY: A SUPERIOR ASSET PROTECTION VEHICLE

In the January edition of this newsletter, I presented a general overview of Anguilla's Limited Liability Company (LLC) by describing its basic features. I would like now to describe in greater detail the central feature of this corporate entity as a superior asset protection vehicle. While the Anguilla LLC Act has been around since 1994, it has been superseded in terms of usage and popularity in the offshore world by the Nevis LLC which was enacted a year later in 1995. However, what is little known is the fact that when properly understood, the Anguilla LLC is a superior asset protection vehicle due to an ingenious and subtle act of legislative draftsmanship as well as reliance on a basic feature of judicial interpretation by the Anguilla courts.

The salient feature of most LLC Acts is the protection offered by it as enshrined in the rights of a judgment creditor. This is usually set out by stating that on an application by a judgment creditor of a member of an LLC, the court may charge the "member's interest" with payment of the unsatisfied amount of the judgment. In the Anguilla LLC, this is termed the "economic interest of the member." The key then to the beauty and asset protection superiority of the Anguilla LLC lies in the definition of the phrase "economic interest" especially when compared with the definition of the term "member's interest" in the Nevis LLC Ordinance.

A "member's interest" as defined in the Nevis LLC Ordinance means a member's share of the profits, losses, income, gains, deductions and credits of the limited liability company, the right to receive distributions from the limited liability company and all the member's rights and obligations under the Ordinance, the articles of organization and the operating agreement. In the Anguilla LLC Act, a member's "economic interest" is defined as a member's share of the profits and losses of a LLC and a member's right to receive distributions of the LLC's assets. It is this restricted definition of the assets over which the charging order which the court is likely to grant in a judgment creditor's claim which makes the Anguilla LLC Act a greater asset protection vehicle. While the Nevis Ordinance allows the charging order to cover all of the member's interest, the Anguilla Act specifies and restricts the assets to be covered and thus protects the members from greater legal exposure.

Some commentators have pointed out that a major strength of the Nevis LLC is the fact that the Ordinance states specifically that, notwithstanding any other law, the remedy provided by the Ordinance itself, which is the charging order over the member's interest, is the sole remedy available to any creditor of a member's interest. This is indeed worthy of note and such specific language is absent in

the Anguilla LLC Act. However, a basic tenant of judicial interpretation in the Anguilla courts, where an entity has been created by statute, is to examine the statute within the limits of its creation. The Anguilla LLC is a creature of statute and as such is governed exclusively within the "four walls" of the statute unless the statute itself says otherwise. The Anguilla LLC Act does not provide for a judgment creditor of a member to have any rights against the member apart from the right to a charge granted under The Anguilla LLC Act. While, unlike the Nevis Ordinance, it does not expressly restrict the remedies available to a judgment creditor to that provided by the Ordinance, it is a basic principal of statutory interpretation that, unless otherwise provided for within the statute, the remedies available are restricted to those set out in statute.

Taken together then, it is clear that when properly understood and explained the Anguilla LLC is indeed a superior asset protection vehicle and one which GCSL Anguilla believes will be well-received by end-user clients and intermediaries.

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## **SAMOA: A LONG-TIME AND GOOD FRIEND OF CHINA...AND THOSE INVESTING IN CHINA**

As an offshore jurisdiction, Samoa is fortunate to have an Embassy of the People's Republic of China located within the jurisdiction. The China Embassy allows GCSL Samoa to get all our corporate documents authenticated on island for those wanting to do business on the Mainland.

Historically, Samoa has shared a long relationship with the Chinese people that stems back to the time when Samoa was a German colony in the early 1900s. As a result, we not only have a strong German influence, there is a big Samoan/Chinese community who has become part of our society and has contributed to the economic growth of Samoa. Many Samoans today still carry the names of their Chinese ancestors.

This affiliation continues today with the People's Republic of China, having shared diplomatic ties with Samoa for some 32 years. Samoa was the first Pacific island nation in the South Pacific to establish such relations where the two governments have cooperated in various activities, particularly focused on economic and trade relations

Later this year, Samoa will be hosting the South Pacific Games, an event that occurs every four years. The South Pacific Games is a mini-Olympics of sorts that allows Pacific Islanders not only to compete against each other in sports, but to reconnect with each other as Pacific Peoples who share a common heritage. The People's Republic of China is providing financial assistance with the construction of a swimming pool complex, the first in the region to match any other world-class facility, a revamped gymnasium, athletic park and other sporting facilities. The Chinese government has also contributed in the past with the construction of Government offices and has offered tertiary scholarships for Samoans going overseas to study.

The strong ties and China Embassy make Samoa the place to incorporate for China-directed business.

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## **GCSL BELIZE - WHAT WE DO**

I am presently on a marketing trip in California, and had the opportunity to visit my friend Jackie. Jackie is at the LAC+USC Women and Children's Hospital. My friend is suffering from cancer, and thankfully has had the opportunity to go to the US to receive treatment from the oncology center at that fine hospital. I spent a few hours with her, and we talked of many things. I left her bedside with multiple thoughts in my mind, but one thing stayed on my mind: this business that I do is precisely for that type of situation that my friend Jackie now faces.

You see, many people make use of our services for the purpose of saving their own money. The fact is, most persons are saving their money, not from their own family, but from greedy creditors and overzealous politicians who desire more tax to fund top-heavy and bureaucratic government. They save their own money, in the structures we help to set up, the trusts we help them to settle, the IBCs and LDCs we form for them, so that their wealth can pass onto the children of the third and fourth generation. They want to ensure that their families are well provided for in the future.

I took a look at my friend, and despite her dire circumstances, she still has a love for life. It reminded me of what attracted me to this line of work, this profession. It was the desire to help people that motivated me to want to do this. It reminded me of the passion to make someone's day one of happiness that made me get into this business. I wanted the pleasure of helping someone in need of financial planning, and an offshore structure to suit their needs.

At GCSL, that is what we do. We help people in their desire to retain their wealth. Therefore, if there is someone with a family full of sticky fingers, the Belize Trusts Act allows him or her to protect that money from a creditor who will most certainly want to help himself to riches not previously accessible. The slip on the non-slip ceramic tile will not allow that creditor to slip into the comfortable monies set aside for worthy beneficiaries.

Even in the business of forming corporate entities, GCSL helps. The International Business Companies Act allows for the formation of Limited Duration Companies, whose Articles can be worded so as to exclude a member upon the happening of a specified event. One such event can be a lawsuit arising in the home jurisdiction of the client. Though not utilised much, these companies do exist, and eventually will be of great help to the one who opts to use them.

And that is what GCSL Belize does. We help those who need our help. That is our story, and we're sticking to it.

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## TIDBITS

The things that make us smile, frown and generally make life interesting...

### **OUR MONTHLY QUOTE THAT MADE US SMILE**

"May the best days of your past be the worst days of your future" James Lee, Hong Kong businessman and part-time philosopher.

### **BIRTH GIVING MACHINES??? PURE GENIUS ☹️**

We recently read that Japan's Health Minister described women as "birth giving machines" when discussing the nation's falling birthrates. He, of course, retracted his remarks. What else can you say other than pure genius, eh!?

### **NO MORE CINNABONS FOR US!!!**

We were forever put off the most delicious, artery clogging, world famous (at least our lil world) Cinnabons when reading about the cinnamon bun that has been preserved at a Tennessee coffee shop because people believe it looks like Mother Teresa. Yucky-poo... eating the Nun Bun just doesn't work for us!!!

### **CHINGLISH...AH, THE MEMORIES**

We recently read that the Beijing Government has employed ten teams of linguistic monitors to clean up all those Chinglish signs we love so much, but have been decreed to go before the Beijing Olympics. For those of you without chance to experience some of these lovelies, below we provide you with a few.

"Show Mercy to the Slender Grass" on park lawns.

"To take notice of safe: The slippery are very crafty" (Translation: Be careful, slippery.)

"Yelling Dental Clinic" at a dentist's office.

"The Center of Lawsuit" at a place to file complaints regarding a business.

"Dongda Hospital for Anus and Intestine Disease Beijing" (renamed "Hospital of Proctology")

Check out <http://www.pocopico.com/china/chinglish.php> for more!

### **TAX SPIDERS...AIN'T THEY CLEVER!!!**

We recently read about Canada's Revenue Agency testing a software program – Xenon – that trawls the Internet seeking online tax cheats. It only took 'em about 15 years to figure out something like Xenon...ain't they clever!!!

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