



# RaQuest

**Our fully integrated software solution for the processing of foreign withholding tax**

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In times of low or negative returns and interest rates, private and professional investors insist on getting the maximum out of their investments. In this difficult economic landscape, clients expect their private bankers, custodians and asset managers to mitigate withholding taxes by applying the lowest rate possible or helping them to easily reclaim the unduly due taxes.

If you do not want to suffer a competitive disadvantage on withholding taxes today, you need to have a robust, quick, cost- and risk-minimizing solution. KPMG Luxembourg brings you this piece of the puzzle and offers you, together with their partners, a fully automated and unique IT software covering the complete withholding tax process from the costbenefit analysis to the steps relating to the filing or relief and finally to billing and reimbursement reconciliation tools.



### **Are you concerned?**

Private banking clients as well as institutional investors are very often more or less largely invested in equities or bonds paying a dividend or an interest coupon. Both income flows are in most of the countries subject to a domestic withholding tax that can be reduced under an existing double taxation treaty ("DTT").

The residence countries of these clients do very often only accept a withholding tax credit up to the DTT withholding tax rate (often 15%). The exceeding domestic source tax cannot be credited and is a final cost for the client, if not reclaimed in the source country of the income payment. Our fully integrated solution tackles exactly these cases and helps you to get these reimbursements in a reasonable timeframe or even assists you in the tax relief process at source.



**Maximize the return on investment of your client by proposing an integrated service!**



**RaQuest is the only multilingual, fully integrated tool on the market today covering tax reclaim and relief!**



### What can RaQuest do for me?

RaQuest covers today 13 investment markets and 10 residence countries. Our software speaks French, English and German and covers both tax reclaim and relief. RaQuest has a multi-client option and fully supports global custodian procedures.

The tool is running in several Luxembourgish and German banks since 7 years and produces around 30,000 reclaims a year. Neither rejections based on form or figures nor audit failures have been encountered in these years.



### What do we offer?

KPMG Luxembourg offers two business models for RaQuest:

**A.** Licence model: Installation of RaQuest in your regular banking IT-environment and operation by your employees (insourcing); or

**B.** BPO model: Installation of RaQuest within our separate legal entity "KPMG Services" and operation by KPMG employees for your benefit (outsourcing).

KPMG Services S.à r.l. is a Luxembourg certified Professional of the Financial Sector (PSF) which is duly authorized by the Luxembourg regulator (CSSF) to process confidential information.



### What is our fee model?

Our fee model depends on the business model chosen: A. Licence model: Yearly fee depending on the residence countries and investment markets chosen as well as on the payment lines effectively claimed; B. BPO model: Fee per payment line that has effectively been claimed/relieved.

### Why KPMG?

Thanks to its international network, KPMG is able to respond to the complex business challenges facing our firms' clients. We adopt a global approach spanning professional disciplines, industry sectors and national borders. KPMG Luxembourg is a European leader and competence center for withholding tax questions. We have assisted numerous banks, asset managers and insurance companies in their withholding tax processes and successfully claimed millions of euros from foreign tax authorities. In addition, KPMG Luxembourg is a constant driver for court cases and unique jurisprudence for the benefit of our clients. Our team is at your disposal to help develop the right strategy for the implementation of RaQuest within your organization.

### Your Luxembourg tax advisory team:



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