



# GMS Flash Alert



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## United States - Update on Protocols with Switzerland, Luxembourg

On September 20, 2019, the U.S. Treasury Department announced the entry into force of the tax treaty Protocols with Luxembourg and Switzerland.<sup>1</sup> Both Protocols entered into force on September 20, 2019. The effective dates of specific provisions within each Protocol are provided below.

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### WHY THIS MATTERS

These Protocols make several modifications to the existing U.S. tax treaties with Luxembourg and Switzerland that may affect international assignees and their employers.

Now that the ratification process is complete and the entry into force dates are set, these modifications will all be effective by the start of the 2020 tax year.

Program managers will want to consult with their tax service providers to determine what impact these new protocols will have on assignment costs.

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### Luxembourg

The Luxembourg Protocol will become effective for requests for information made on or after September 20, 2019, with regard to tax years beginning on or after January 1, 2009.<sup>2</sup>

### Switzerland

The provisions in the Switzerland Protocol relating to taxes withheld at source (including dividends) are effective for amounts paid or credited on or after January 1, 2020. The provisions of the Switzerland Protocol relating to the

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exchange of information will apply to requests made on or after September 20, 2019. Requests for information held by financial institutions, nominees, or other entities or individuals acting in an agency or fiduciary capacity can relate to any date on or after September 23, 2009 (the date on which the Protocol was originally signed). In all other situations, information can be exchanged on request if the information relates to tax years beginning on or after January 1, 2010.<sup>3</sup>

## FOOTNOTES:

- 1 See the U.S. Treasury press release dated September 20, 2019, "[Treasury Welcomes Entry into Force of Tax Protocols with Luxembourg and Switzerland](#)."
- 2 For prior coverage on the United States-Luxembourg protocol, see GMS [Flash Alert 2019-121](#) (July 17, 2019).
- 3 For prior coverage on the United States-Switzerland protocol, see GMS [Flash Alert 2019-120](#) (July 17, 2019).

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**The above information is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230 as the content of this document is issued for general informational purposes only.**

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