

UK Tax strategy

This document sets out the strategic tax objectives of Deutsche Hypo London Branch. It is primarily of relevance to the Board of Managing Directors, finance, tax and operational personnel, but is also publicly available on Deutsche Hypo's website for external stakeholders in compliance with the UK tax strategy publication requirement set out in Part 2 of Schedule 19 FA 2016.

Risk management and governance

Deutsche Hypo is committed to adopt appropriate governance to control the types of transactions that are entered into and to comply with all relevant laws and regulations. The Board of Managing Directors acknowledges that it has the overall responsibility for complying with the tax laws in relevant jurisdictions and approving the tax strategy. The Head of Finance is responsible for ensuring the company establishes and maintains appropriate tax compliance arrangements. The bank's internal control systems are designed to make sure that guidelines and procedures are current and comply with relevant tax laws. And as a member of the NORD/LB group, Deutsche Hypo is integrated in NORD/LB Tax Compliance Management Systems and bound by the group level Tax Guideline. Deutsche Hypo may seek external professional tax advice, where necessary, to seek clarity with local tax laws and regulations.

Tax planning

Deutsche Hypo confirms that tax planning is not a suitable line of business for the UK operation and that the Bank will not seek to develop, utilise, or market such schemes. It does not undertake tax planning that is inconsistent with the underlying economic consequences and contrary to the intentions of Parliament. Deutsche Hypo aims to comply with all domestic and international tax laws as well as standards such as OECD guidelines on arm's length principle.

UK tax risk

The tax contributions of Deutsche Hypo include Corporation tax, Banking surcharge, Employment taxes and VAT. The employees are committed to act with integrity and seek to ensure that all taxes are correctly accounted for and make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion. All tax matters are discussed and solved in co-operation with head office to ensure that senior personnel with the appropriate skill and experience are involved in key tax decisions.

Relationship with tax authorities

Deutsche Hypo maintains a transparent relationship with HMRC and engages in open and constructive dialogue with HMRC in order to provide clarity on relevant local tax issues. The Bank tries to seek to resolve issues, where possible, before returns are filed.

The publication of this UK tax strategy statement is regarded as satisfying the statutory obligation under Para 19(2), Schedule 19, Finance Act 2016.

Deutsche Hypo has signed up to the Code of Practice on Taxation for Banks.