

Decision No. 246/1, issued on 6th of July 2020 on determining the instances in which the request for information under the Banking Secrecy Law or Article 151 of the Monetary and Credit Law, are urgent and when informing the inquirer may affect the investigations chances of success

This decision stipulates the instances of application of the provisions in Article 1, clause V of the expedited law No.55 dated October 27,2016 and its amendments regarding the exchange of information for tax purposes, especially when the information is exchanged upon request. In fact, the Ministry of Finance has determined the instances in which the request for information is urgent and when informing the inquirer may affect the investigations chances of success. The Lebanese authority is considered obligated to respond to the request submitted by the foreign authority if the legal conditions are met without informing the inquirer about it.

Instances which are considered urgent:

- Requests related to auditing a tax period subject to the lapse of time in the requesting country,
- Requests related to cases under scrutiny and resolved within short periods specified by law,
- Any other case in which the competent authority in Lebanon describes as urgent through the direct communication between the two concerned countries.

Informing the inquirer that they are being inquired about affects the integrity of the investigation, which in turn lessens its chances of success, due to the below reasons:

- To allow the inquirer to take legal and practical measures that would mask the reality in whole or in part,
- To allow the inquirer to communicate with people he had dealt with previously, to hide information or show information that could potentially mislead the investigation.
- Any other case, in which, the competent authority in Lebanon proves that informing the inquirer will affect the validity of the investigations, through the direct communication between the two concerned countries.

The submitted request has to be:

- Clear and detailed.
- Inclusive of sufficient explanations so its classification process becomes easy,
- Attached with supporting documents confirming the validity of its classification such as the legal and regulatory texts that governs the tax treatment of inquired cases.