



1. General			2. Requirements						
Country	Enacted Year	Citation	REIT type	2.1	2.2	2.3			
				Key requirements	Legal form	Minimum share/initial capital	Shareholder requirements	Listing mandatory	
Australia (LPT)	1985	- Public) Unit Trust and Equity law - 'Trust Income', Division 6, ITAA 1936 - 1936 'Public Trading Trusts' Regime, Division 6C, ITAA 1936	Trust type	No special legal or regulatory requirements	Unit trust	No	No requirement	No	
Belgium (SICAFI)	1995	- Royal Decree of April 10, 1995 - Law of July 20, 2004 - Other tax laws	Corporate type	- Licence from the Belgian Banking, Finance and Insurance Commission - SICAFI Registration List	- Belgian public limited liability company - Belgian limited partnership with shares	EUR 1.25 million	No requirement	Yes	
Brazil (FII)	1993	Federal Law 8.668/93 and subsequently issued regulations by CVM 205/94 and 206/94 and CVM 389/03 and 418/05	Fund type	- Must be approved by the Securities and Exchange Commission - Managed by a financial institution - All units' subscription must be assured by the CVM	Fund	No	Construction companies may not hold more than 25%	No	
Bulgaria (SPIC)	2004	Special Purpose Investment Companies Act (SPICA)	Corporate type	- Licence from the Financial Supervision Commission - If listed, further Bulgarian Stock Exchange authorisation - Depository bank mandatory	Joint stock company	BGN 500,000 (EUR 255,646)	- 30% or more should be owned by an institutional investor - No more than 50 founders	Yes	
Canada (MFT)	1994	Income Tax Act	Trust type	Election in tax return	Unit trust	No	- Minimum of 150 unit holders each of whom holds not less than one "block of units" and having an aggregate fair market value of not less than CAN\$ 550) - Generally, MFTs cannot be established or maintained primarily for the benefit of non-residents of Canada	Required to avoid redemption right of unit holders	
Chile (FII)	1989 and modified in 2001	- Law No. 18,815 on Investment Funds - Decree No. 864	Fund type	- Approval of the fund by the Chilean Securities Commission - Management by a Chilean corporation	Unincorporated entities	- No initial requirement - After 1 year, UF 10,000	- Private FIIs: less than 50 members - Listed FIIs: at least 50 members or 1 institutional investor	No	
Costa Rica (REIF)	1997 and 2006, respectively	Securities Market Regulation Act (No. 7732) and the General Regulations of Fund Management Companies and Investment Funds	Fund type (Shows some characteristics of a REIT)	- Licence from the National Securities Commission (SUGEVAL) for the investment fund management company (IFMC) - Registration on the REIF list - Fund must be authorized by SUGEVAL - Approved prospectus by SUGEVAL	- The IFMC must be a corporation or a branch of a foreign fund manager - The investment fund will operate as a close fund	- The investment fund must count with USD 5,000,000 on net assets - Minimum of approx USD 168,000 for the IMFC	Minimum 50 participants	Yes	
Dubai (REIT)	2006	The Investment Trust Law No. 5	Trust type	Detailed information not yet available	Public Property Fund	No	Detailed information not yet available	Yes	



2.4	2.5	2.6 Distribution rules		2.7	
Restrictions on activities / investments	Leverage	Operative income	Capital gains	Timing	Sanctions
<ul style="list-style-type: none"> - Public unit trusts investing in land, must do so for the purpose, or primarily for the purpose, of deriving rent (eligible investment business) - Public unit trusts that carry on a trading business, i.e. a business that does not wholly consist of eligible investment business, are not accorded 'flow through' treatment - May invest in a single property 	Unlimited, subject to general thin capitalisation rules	Typical distribution of 100% of trust's income	Typical distribution of 100% of capital gains realised on disposal of property, including interests held in other sub-trusts or other entities	Annually	N/A
<ul style="list-style-type: none"> - The principal activity must be passive investments in real estate - A maximum of 20% of the total assets can be invested in one real estate project - Developments are allowed, but cannot be sold within five years of completion - The SICAFI is allowed to hold shares in subsidiaries investing in real estate - As an exception, the SICAFI is allowed to invest in transferable securities. 	<ul style="list-style-type: none"> - Loans limited to 65% of the total assets - Interest expenses limited to 80% of the total income 	80% of net profit	Not included in the distribution obligation, if reinvested within a four-year time period	Annually	Various penalties (not necessarily resulting in the loss of SICAFI status)
<ul style="list-style-type: none"> - 75% of equity must be invested in real estate - Other investments only in financial fixed income funds or fixed income securities - The FII may not manage or receive dividends from the business within its real estate investments 	N/A	Minimum of the 95% of the profit (cash basis)	Minimum of the 95% of the profit (cash basis)	Every 6 month	Loss of tax exemption
<ul style="list-style-type: none"> - No more than 10% of the SPICs assets can be invested in mortgage bonds - Real estate investments must be located in Bulgaria 	Short term loan cannot exceed 20% of income generating asset	90% of the net income of the year	Included in net income	Distribution until the end of the following business year required	Monetary penalties and a possible loss of SPIC status
<ul style="list-style-type: none"> - The investing in property (other than real property or an interest in real property) is allowed - The acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) that is capital property of the trust is allowed - Any combination of the foregoing activities 	N/A	All income of the MFT for a taxation year is paid or payable to unit holders in the year so that MFT does not incur tax	All capital gains are paid out, and retain their character as such, in the hands of unit holders provided a designation is made by the MFT	All income must be paid or payable in the taxation year of the MFT, but does not have to be paid out until later	Loss of MFT status
<ul style="list-style-type: none"> - Real estate (till 2012) - Subsidiaries allowed - Quotas or rights in real estate cooperatives - Development allowed 	Liabilities may not exceed 50% of the fund's equity	At least 30% of the fund's annual profits	At least 30% of the fund's annual profits	Annually	Loss of FII status and liquidation possible
<ul style="list-style-type: none"> - The main activity must be the acquisition and/or leasing of real estate - 80% of property in real estate assets - The remaining percentage could be invested in other financial investments such as publicly traded securities. - No more than 25% of the REIF's income can derive from one individual or corporation that belongs to the same economic unit - There are some limitations regarding the sale of the REIF's asset 	<ul style="list-style-type: none"> - Loans for IFMC are limited to a 20% of their assets - Loans for funds are limited to 60% of their real estate property and 10% of any other securities owned by the fund (this 10% cap is the same that applies to financial funds) 	No requirement	No requirement	No requirement	Determined by SUGEVAL
<ul style="list-style-type: none"> - REIT is primarily aimed at investments in income generating real property - Property under development must not exceed 30% of the net assets value - REIT must derive income from two tenants or lessees - REIT can only invest up to 40% of its total assets in assets other than real property or property related assets - REIT should receive the total income generated by the SPV (Special Purpose Vehicle) if it holds a real property via an SPV - REIT should own and control a minimum of 50% if entered into a joint property ownership arrangement - REIT's property ownership is restricted to the designated areas, which are available only to non-nationals - REIT's ownership of property outside Dubai and other GCC countries is bound by the same ownership restrictions mentioned above 	Limited to 70% of the total net asset value	80% of annual net income	At discretion of the overseeing body	Annually	Detailed information not yet available



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France (SIIC)	2003	- Article 11 of the Finance Act for 2003 - Administrative Guidelines from the French Tax Office	Corporate type, pure tax regime	- The election letter must be filed with the competent tax office for the parent company with a list of the subsidiaries which also elect - Subsidiaries list must be updated once a year	- Joint stock company - Partnership limited by shares	EUR 15 million	- Investors cannot hold more than 60% of share capital and voting rights - At the time of election, 15% of the share capital and voting rights must be held by investors, who individually own less than 2%	Yes	
Germany (G-REIT)	2007	Law on German real estate joint stock companies with publicly quoted shares (Real Estate Investment Trust law – REIT law)	Corporate type	G-REIT: Registration with the Commercial Register Pre-REIT: Registration with the Federal Central Tax Office	Joint stock company	EUR 15 million	- 15% of the shares must be widely held (25% at the time of IPO) - A shareholder is not allowed to own directly 10% or more of the shares or the voting rights of the company	Yes	
Greece (REIC)	1999	L.2778/1999 (REIT Law)	Corporate type (Shows some characteristics of a REIT)	- Prior operating licence issued by the Hellenic Capital Market Commission required - Functions are supervised and regulated accordingly	Joint stock company	EUR 29 million	Acquisition of shares by founders, shareholders, board members, CEOs and their relatives is not allowed	Yes	
Hong Kong (HK-REIT)	2003	Code of Real Estate Investment Trusts	Trust type	- To be authorized by the Securities and Futures Commission (SFC) of Hong Kong - Appointment of a trustee - Appointment of a management company	Unit trust	No	No requirements	Yes	
India	Draft for public comment stage	Draft for Public Comments SEBI (REIT) Regulations	Trust type	- Net worth of INR 50 million - 50% of the trustees independent - Real Estate Investment Management Company required - Official appraisal required	Trust	INR 50 million	No foreign participation	Yes	
Israel (REIF)	2006	Sections 64A2-64A11 of the Israeli Tax Ordinance	Corporate type	- Special purpose company required - Controlled and managed from Israel	Public company traded in the Tel Aviv Stock Exchange (TASE)	No	At least 50% of the company's means of control should be held by more than 5 shareholders	Yes	
Italy (SIIQ)	2007	Italian Real Estate Investing Corporations with listed Shares (SIIQ)	Corporate type	- The election E24 form must be filed before the end of the fiscal year preceding the one in which it is intended to take effect. - The opinion must be jointly exercised by all the companies that elected the SIIQ fiscal unit regime.	Joint stock company	EUR 40 million	- At least 35% of the shares must be "widely held" - A single shareholder is not allowed to own more than 51% of the voting rights	Yes	
Japan (JREIT)	2000	Investment Trust law	Trust or corporate type (in practice corporate type)	- Building Lots and Building Transactions Agent Licence - Discretionary Transaction Agent Licence - Registration of the Asset management company with Financial Services Agency - Registration of the JREIT with the Financial Services Agency	Corporation (in practice)	JPY 100 million	- No requirements under the Investment Trust Law (ITL) - Special shareholder conditions in order to deduct dividend distribution under the tax law	No	



2.4	2.5	2.6 Distribution rules		2.7	
Restrictions on activities / investments	Leverage	Operative income	Capital gains	Timing	Sanctions
<ul style="list-style-type: none"> - Principal activity restricted to rent out the property - No required asset level - Real estate development may not exceed 20% of the gross book value 	Thin-capitalisation rules	85% of tax-exempt profits	50% of capital gains	Annually	<ul style="list-style-type: none"> - Profit and gain exemption is denied for the financial year in which the distribution shortfall appears - Latent gains could be retroactively subject to a corporate income tax rate of 34.43% (including the 16.5% exit tax deduction)
<ul style="list-style-type: none"> - 75% immovable property requirement - 75% immovable property income requirement 	The equity must equal at least 45% of the total asset value of immovable property (valuated at IAS 40)	90% of net income of the year	Deferral of 50% of the capital gains from real estate assets allowed	Distribution is required until the end of the following business year	<ul style="list-style-type: none"> - Several penalties - Loss of REIT status
<ul style="list-style-type: none"> - At least 80% of the total assets must be real estate - Investment in marketable securities should not exceed 10% of total assets - Greek REICs may invest in at least 90% of the shares of Societes Anonymes (A.E.) having as special purpose the real estate investments - Real estate assets serving its operational needs are limited to 10% of these assets plus real estate assets - May invest abroad. Investments in non EU-members states may not exceed 10% of total real estate investments may invest abroad - May invest in a single property 	<ul style="list-style-type: none"> - Must not exceed 50% of the REICs assets - Must not exceed 25% of total real estate investments - Specific 10% of total net equity rule for the purchase of real estate 	35% of its annual net profits	No obligation	Annually	<ul style="list-style-type: none"> - Violations may trigger the imposition of penalties - No loss of REIT status
<ul style="list-style-type: none"> - Must invest in real estate - Must hold the real estate for at least two years - Must not invest in vacant land or engage in property development activities - Must not acquire any asset that involves the assumption of any unlimited liability - May invest in foreign assets 	Limitation to 45% of gross asset value	- 90% of annual net income after taxes	Specified in the trust deed	Annually	<ul style="list-style-type: none"> - De-listing - Loss of authorization
<ul style="list-style-type: none"> - Only allowed to invest in real estate - Prohibited to invest in vacant land or engage in property development - No more than 15% exposure in a single real estate 	20% of total gross assets	90%	90%	Annual	
<ul style="list-style-type: none"> - 95% or more of the value of the REIF's assets must consist of income-yielding real estate and liquid assets (cash, deposit etc.) - 75% or more of the value of the REIF's assets must consist of income-yielding real estate - The value of the income-yielding real estate exceeds 200 million NIS (approximately \$50 million) - 75% of the value of the income-yielding real estate must be located in Israel 	Debit is limited to 60% of the income-yielding real estate's value	90% of its profits plus amount of depreciation	100% of its capital gain from disposal of real estate	<ul style="list-style-type: none"> - Distribution of the operating income must take place no later than April 30th of the following year - Distribution of the capital gain must take place in a period of 12 months from the sales date of the real estate 	Loss of tax privilege
<ul style="list-style-type: none"> - 80% real estate asset requirement - 80% real estate income requirement 	No specific restrictions	85% derived from real estate rental or leasing	Capital gains distribution requirements not yet implemented	Annually	Termination of tax benefits
<ul style="list-style-type: none"> - Merely an asset holding vehicle - Investment primarily in "Qualified Assets" 	May only receive loans from qualified institutional investors	Greater than 90% of net income	Same as ordinary income	For the fiscal year	<ul style="list-style-type: none"> - Regulatory action - Cannot deduct dividend distribution



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Lithuania (IC)	2008	Law on Collective Investment Undertakings	Corporate type	<ul style="list-style-type: none"> - Special collective investment undertaking status required - Licence from Lithuanian Securities Commission 	Joint stock company or investment fund managed by a management company	150,000 LTL (approx. 43,500 EUR) 431,600 LTL (125,000 EUR) for the management company	No requirements	No	
Luxembourg	2007	Law relating to specialised investment funds	<ul style="list-style-type: none"> - Contractual type - Corporate type 	<ul style="list-style-type: none"> - Authorisation and ongoing supervision by the Luxembourg supervisory authority - Requirement for a depositary 	<ul style="list-style-type: none"> - Contractual form (FCP) - Corporate form (SICAV, SICAF) 	<ul style="list-style-type: none"> - EUR 1,250,000 - EUR 1,250,000 	Well-informed investors (SIF's only)	No	
Malaysia (Unit trust)	The Securities Commission had issued Guidelines on "Property Trust Funds" in 2002, which were superceded by the issuance of REIT Guidelines in January 2005. Further updates were issued by way of Guidance Notes issued in 2005, 2006 and 2007.	<ul style="list-style-type: none"> - Capital Markets and Services Act, 2007 ("CMSA") - Securities Commission (SC) Guidelines on REIT of 2005 - Malaysia Income Tax Act, 1967 ("MITA") - SC Guidelines for Islamic REITs of 2005 	Trust type	<ul style="list-style-type: none"> - Registered trust - Trustees must be approved by the SC - Management company - Real estate held by the trust must be managed by a qualified property manager - Appoint a Shariah committee or a Shariah advisor (Islamic REIT) 	Unit trust	RM 100 million	No requirements	No	
Mexico (Mexican Trust)	<ul style="list-style-type: none"> - 2004 - Amended in 2007 	Mexican Income Tax Law	Trust or corporate type	<ul style="list-style-type: none"> - Incorporation under Mexican Laws - Certificates - Mexican trustee 	<ul style="list-style-type: none"> - Unit trust - Companies related to real estate 	No	Only for non publicly traded Trusts: <ul style="list-style-type: none"> - At least 10 shareholders that are not related parties - Each shareholder may not hold more than 20% of the certificates 	No	
Netherlands (FBI)	1969	FBI (Art. 28 CITA)	In principle corporate type (pure tax regime)	Election in the tax return	<ul style="list-style-type: none"> - Dutch public company (BV) - Limited liability company (NV) - Open ended investment fund (FGR) - Comparable foreign legal entity 	<ul style="list-style-type: none"> - BV: EUR 18,000 - NV: EUR 45,000 - FGR: None 	<ul style="list-style-type: none"> - If listed or licenced: Taxable corporate entities may hold up to 45% of the shares - Individuals may hold up to 25% - If not listed or licenced: Individuals / non taxable corporate entities / listed FBIs must hold at least 75% of the shares - Single individuals may hold up to 5% 	No	
New Zealand (PIE)	1960 2007	<ul style="list-style-type: none"> - The Trustee Act 1956 - Unit Trusts Act 1960 - Income Tax Act 2007 (from the 2008-09 income year) 	<ul style="list-style-type: none"> - Trust type - Corporate type (Shows some characteristics of a REIT) 	<ul style="list-style-type: none"> - Registration of the trust with the Registrar of Companies - Issue of a registered prospectus 	<ul style="list-style-type: none"> - Unit trust - Portfolio Investment Entity (PIEs) 	No	<ul style="list-style-type: none"> - No restrictions for unit trusts or companies which are not PIEs - Restrictions apply to the number and type of investor/unit holder in a PIE 	No	
Pakistan (REIT)	January 31, 2008	Pakistan Companies Ordinance, 1984	Trust type	<ul style="list-style-type: none"> - Licence application to the Security & Exchange Commission of Pakistan - Appointment of a trustee & property valuer in accordance with the Regulations 	Management company: Public Limited Company	Rs. 50 million as prescribed by the SECP at the time of applying for licence. The paid up capital shall be further increase to at least Rs. 500 million within 30 working days of the registration of the REIT scheme.	None	Yes	



2.4	2.5	2.6 Distribution rules			2.7
Restrictions on activities / investments	Leverage	Operative income	Capital gains	Timing	Sanctions
<ul style="list-style-type: none"> - No more than 20% of its net assets in securities of other companies; - No more than 30% of its net assets in a separate real estate asset or real estate company; - No more than 20% of its net assets in real estate under development; - No more than 40% of its net assets in a single real estate property and any assets required for its maintenance; - No more than 30% of its net assets in securities issued by single real estate company including liabilities arising from the transactions with real estate company involving derivatives; - No more than 30% of its net assets in the securities in the single real estate company and in the assets that such real estate company has invested in. - May invest in real estate abroad - Further restrictions apply 	Limited to 75% of the net assets	No requirement	No requirement	No requirement	<ul style="list-style-type: none"> - No tax penalties - Administrative penalties - Revoking of the licence
Principle of risk-spreading	No quantitative restrictions	No obligation	No obligation	N/A	<ul style="list-style-type: none"> - Withdrawal from the official list - Dissolution and liquidation - Criminal penalties
<ul style="list-style-type: none"> - Different thresholds apply for unlisted and listed REITs and the Malaysian Islamic REIT - Additional restrictions for Islamic REITs 	Borrowing may not exceed 35% of the net asset value	90% of total income	N/A	Annually	Various sanctions possible. Revocation of approval possible
<ul style="list-style-type: none"> - At least 70% of the business activities must be related to real estate investments - 30% or less of the business activities may be invested in Mexican Government debt securities or in shares of mutual funds investing in debt instruments 	Thin capitalisation rules	95% of profits	95% of profits	Annually	<ul style="list-style-type: none"> - Tax incentives do not apply - May lose status as real estate investment trust
<ul style="list-style-type: none"> - FBIs are restricted to passive investment activities - Allowed to invest abroad 	<ul style="list-style-type: none"> - 60% of fiscal book value of real property and - 20% of fiscal book value of all other investments 	100% of taxable profit	Capital gains / losses can be allocated to a tax-free reserve	Within 8 month after the end of its fiscal year	Loss of REIT status
<ul style="list-style-type: none"> - No limitations if not PIE's - Diverse thresholds for PIE's 	No specific restriction	No requirement, but taxation of not allocated income	No requirement	Annually	Loss of PIE status and loss of PIE tax treatment
<ul style="list-style-type: none"> - Investment shall only be made in real estate - Restriction on transferring ownership of controlling shares, merger and take-over - Restriction on obtaining management of another REIT scheme - Investment in vacant land for development purposes is allowed - Restriction on investing in unlisted securities & commodities 	Not yet prescribed by the SECP	90% of the annual income	90% of the annual income	Annually	<ul style="list-style-type: none"> - Cancellation or suspension of REIT scheme - Remove trustee in the circumstances as stipulated in the Regulation - Remove valuer in the circumstances as stipulated in the Regulation - Impose fine



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Philippines (REIC)	Pending in Congress	Will be passed as a statute (Republic Act)	Corporate type	Registration with the Securities and Exchange Commission (SEC)	Joint stock corporation	PHP 100 Million (approx. TEUR 210)	- At least 1000 shareholders with at least 100 shares (must sum up to 30% of the outstanding capital stock)	Yes	
Puerto Rico (REIT)	- Enacted in 1972 - Amended in 2000 and 2006	Puerto Rico Internal Revenue Code of 1994, as amended (PRIRC)	In principle, corporate type (election for tax status)	- Election with the tax return - REITs are regulated by the Puerto Rico Commissioner of Financial Institutions - Managed by one or more trustees or directors	Corporation, partnership, unit trust or association	No minimum capital	At least 50 shareholders or partners	No	
Singapore (SREIT)	1999	- Securities and Futures Act - Code on Collective Investment Schemes - Property Funds Guidelines	Trust type or corporate type (in practice trust type)	- Formal advance ruling and/or tax exemption application has to be submitted - Listing for tax exemption	Company or unit trust	S\$ 20 million	At least 25% of the REIT's capital has to be held by at least 500 public unit holders for listing	In principle not, but required for the various tax concessions	
South Africa (PUT)	No specific year	Part V of the Collective Investment Schemes Control Act No 45 of 2002 Companies Act No 61 of 1973	Trust type (Shows some characteristics of a REIT) Company	- Managed by a management company incorporated or registered in terms of the Companies Act - A collective investment scheme is required to have an association licence - Compliance with the JSE Limited regulatory requirements for securities exchange listing - Registered in terms of and compliance with the Companies Act	PUT Usually unit trust PLS Company	No No	PUT No requirements PLS No requirements	Yes No	
South Korea (REIC)	2001	Real Estate Investment Company Act	Corporate type	Approval from the Ministry of Land, Transport and Maritime Affairs	- Joint stock company (General REIT, REIC) - CR-REIT: Special purpose company	KRW 10 billion	A shareholder may not own more than 30% of the shares	Yes	
Spain (REIC)	1984 / 2003	Law 46/1984 of Dec. 26	Corporate and trust (Shows some characteristics of a REIT)	- National Stock Exchange Commission (CNMV) authorization - Administrative Registry	- Fund - Corporation	EUR 9 million	100 shareholders/investors minimum	No	
Taiwan (REIT)	2003	Real Estate Securitization Act	Trust type	Trustee shall submit certain documents to the competent authority (the Ministry of Finance) for approval or effective registration	Public company	Depending on the scope of business engaged by the trustee (ranging from NT\$ 300 million to NT\$ 2 billion)	- Certificates shall be held by at least 50 persons for at least 335 days during a fiscal - Any five certificate holders shall not own more than 1/2 of the total value of the certificates issued	No	
Thailand (PFPO)	1992	Securities and Exchange Act B.E. 2535	Fund type	- PFPO can only be established and managed by an Asset Management Company (AMC) through a Public Offering - AMC must be licenced by the Thailand Ministry of Finance	Closed-ended fund	Baht 500 million	- At least 250 unit holders are required for an IPO - At least 10 unit holders are required after SET listing - No more than 33.33% of unit holders can be related persons	Yes	



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Restrictions on activities / investments	Leverage	Operative income	Capital gains	Timing	Sanctions
<ul style="list-style-type: none"> - At least 75% income producing real property in the Philippines required. - Must not undertake property development. - May hold real estate through unlisted SPV. 	Shall not exceed 35% of deposited property.	90% of ist distributable income	Capital gains from the sale of stock of domestic corporations are not included in distributable income since they have already been subjected to final tax. Other types of capital gains are included in distributable income if they have been realised and have not been reinvested by the REIC within one year from the date of sale.	Annually	<ul style="list-style-type: none"> - Revocation of tax incentives - Liability for surcharges and penalties under the Tax Code
<ul style="list-style-type: none"> - At least 95% or more of gross income must be qualifying income - At least 75% or more of gross income must be qualifying domestic income - At least 75% of the value of total assets must be represented by real estate assets, cash or equivalents, and securities and obligations of Puerto Rico - Not more than 25% of the value of total assets must be represented by securities other than those mentioned above 	No restrictions	90% of net income must be distributed as taxable dividend	Included in net income	Annually	<ul style="list-style-type: none"> - Loss of REIT tax exemption - Loss of REIT status
<ul style="list-style-type: none"> - At least 75% of the REIT's deposited property should be invested in income producing real estate - No property development activities unless the REIT intends to hold the developed property upon completion - May invest in foreign assets - Should not derive more than 10% of its revenue from sources other than rental and other specified sources 	Aggregate leverage should not exceed 35% of REIT's deposited property (this leverage limit may be increased to a maximum of 60%)	90% of eligible income	Not required	<ul style="list-style-type: none"> - Annually or - Semi-annually or - Quarterly 	De-listing of REIT and withdrawal of tax exemption
<ul style="list-style-type: none"> - PUTs may invest in shares of property companies and in immovable property and other property as determined by the registrar - May invest in foreign assets - PLS No restrictions other than those imposed in terms of the memorandum and articles of association 	<ul style="list-style-type: none"> - PUT Debt financing is limited to 30% of the value of the underlying assets - PLS Debt financing is limited by the memorandum and articles of association, and the Companies Act 	<ul style="list-style-type: none"> PUT No requirement PLS No requirement 	<ul style="list-style-type: none"> PUT Capital gains must be reinvested PLS No requirement 	<ul style="list-style-type: none"> N/A N/A 	<ul style="list-style-type: none"> PUT and PLS - Non compliance with the Collective Investment Schemes Act - Non compliance with the JSE requirements - Non compliance with the Companies Act
<ul style="list-style-type: none"> - 70% must be invested in real estate - 80% must be invested in real estate, real estate related securities and cash - Can invest in real estate development within 30% of its assets if listed - Cannot acquire more than 10% of voting shares in other companies 	Maximum Debt: Equity ratio of 2:1	90% or more of distributable income	Included in operative income	Depends on Articles of Association	<ul style="list-style-type: none"> - Imprisonment penalty - Fine not exceeding KRW 50 million - Revoke the establishment of REIT
<ul style="list-style-type: none"> - 50% of assets must consist of residential real estate and/or residence for students or the elderly - Minimum of three-year investment period - 35% of value of total assets may be invested in a single real estate asset - Development for rental purposes allowed - 15% threshold for investments in real estate subsidiaries - 10% (REIFs) and 20% (REICs) of total assets may be invested in listed companies 	Third-party financing limited to 50% of the REICs assets	No requirement	No requirement	No requirement	<ul style="list-style-type: none"> - Loss of tax benefits - Loss of REIC status
Investment in real estate, related rights of real estate, securities of real estate, as well as other investment objects approved by the competent authority.	The competent authority may prescribe an upper limit of the ratio regarding the money borrowed by the Trustee	Pursuant to the REIT contract	Pursuant to the REIT contract	Within six months after the closing of the fiscal year	Transfer REIT to other trustee
<ul style="list-style-type: none"> - 75% of the net asset value invested in property - Property must be at least 80% complete - Property must be located in Thailand - The PFPO cannot purchase real property in dispute - Property insurance required - AMC must conduct feasibility studies before investment decisions are made - AMC must appoint a property appraiser, property prices are based on appraisals - Property re-evaluation every two years 	Borrowing is prohibited	90% of net profit	90% of net profit	Within 90 days of the end of each accounting period	N/A



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Country	Enacted Year	Citation	REIT type	2.1	2.2	2.3			Listing mandatory
				Key requirements	Legal form	Minimum share/initial capital	Shareholder requirements		
Turkey (REIT)	1995	- Capital Markets Law - Communiqué on Principles Regarding Real Estate Investment Companies, Serial VI No. 11	Corporate type National Stock Exchange Commission	- Regulated and closely monitored by the Capital Markets Board (CMB) - Statutes must be in accordance with the law and the procedures of the Communiqué - Founders must have no records of legal prosecution due to bankruptcy or other offences - The statutory auditors of the company must be Turkish citizens	Joint stock company	TRY 8.4 million	Only for company founders	Yes	
UK (UK-REIT)	2007	Finance Act of 2006 and subsequently issued regulations	Corporate entity	- Election must be filed prior to conversion - Certain conditions for REIT status	Listed closed-ended company	GBP 50,000 (if listed in UK)	- Not "close company" - A single corporate shareholder may not own more than 10% of the shares/voting rights - No restriction on foreign shareholder	Yes	
USA (US-REIT)	1960	Internal Revenue Code	Corporate type	Entities must file Form 1120-REIT with the Internal Revenue Service	Any legal US entity taxable as a domestic corporation	No	At least 100 shareholders - five or fewer individuals or foundations may not hold more than 50% of the shares - No restriction on foreign shareholders	No	



2.4	2.5	2.6 Distribution rules			2.7
Restrictions on activities / investments	Leverage	Operative income	Capital gains	Timing	Sanctions
<ul style="list-style-type: none"> - Only transactions permitted by the Communiqué are allowed - Must primarily deal with portfolio management - 75% of the assets must consist of assets mentioned in their titles and/or articles of association - Cannot be involved in the construction of real estate - Cannot commercially operate any hotel, hospital, shopping center, etc. - Cannot provide services by its personal to individuals or institutions 	Short-term credits limited to three times the net asset value	<ul style="list-style-type: none"> - Minimum 20% as first dividend ratio - Articles of association indicate the dividend ratio 	Will be regarded within the distributable profit	Annually	<ul style="list-style-type: none"> - Modification of the articles of association to exclude real estate investment trust operations - Possible company liquidation
<ul style="list-style-type: none"> - More than 75% of the net income profit must be derived from the property rental business - More than 75% of the assets must be used in the property rental business - Must hold at least three separate assets - No one asset may exceed 40% of the total assets - May invest outside the UK 	Interest cover test	90% of tax-exempt profits	Not included in the distribution obligation	Within 12 months	Tax charges not necessarily resulting in the loss of the REIT status
<ul style="list-style-type: none"> - At least 75% of its assets must be real estate, government securities or cash - 75% asset test and 75% and 95% income tests - Can not own more than 10% of another corporation's stock other than in another REIT or a taxable REIT subsidiary (ownership of a 100% owned qualified REIT subsidiary is ignored) - No more than 5% of the value of its assets can be represented by securities of any one issuer other than another REIT or a taxable subsidiary (ownership of a 100% owned qualified REIT subsidiary is ignored) - Can not own more than 20% (2009: 25%) of its assets in securities of one or more taxable REIT subsidiaries 	No	At least 90% of its taxable ordinary income	Not required to distribute	Annually	<ul style="list-style-type: none"> - Various penalties - Possible loss of REIT Status



3. Tax treatment at the level of REIT				4. Tax treatment at the shareholder's/unit holder's level			
3.1 Corporate tax				3.2	3.3	4.1 Domestic shareholder / unit holder	
Country	Current income	Capital gains	Withholding tax	Conversion into REIT status	Registration duties	Corporate	Individual
Australia (LPT)	Not taxable in the hands of the trustee provided the unit holders are presently entitled to the trust's trust income	- Tax treatment of capital gains similar to that of ordinary income - 50% CGT discount may be available	N/A	N/A	- No duty on capital contributions - Stamp duty of up to 6.75% on the transfer of property or transfer of units in unlisted property trust. - No duty on transfers of units of listed trusts	- 30% tax on share of the trust's worldwide taxable income, including capital gains - Capital gains on disposal of units taxed at 30%	- Tax at rates of up to 46.5% on share of the trust's worldwide taxable income - 50% CGT discount may be available on capital gains distributed and on disposal of units
Belgium (SICAFI)	The eligible rental income is excluded from the taxable basis	Tax-exempt	N/A	- Real estate assets are to be assessed at market value - 16.995% tax on capital gains	- No capital duty - Real property transfer tax of 10% or 12.5% (may be reduced to 5% if the SICAFI buys real estate and 10% or 12.5% if the SICAFI sells real estate)	Dividends and capital gains are fully taxable, but if dividend participation regime applies, dividends are 95% tax free and capital gains are fully tax-exempt	- Withholding tax on dividends is final levy - In principle, capital gains are tax-exempt
Brazil (FII)	- Revenue from real estate activities are tax-exempt - Revenue from other investments are subject to withholding income tax	Revenue from real estate activities are tax-exempt	Revenue from real estate activities are exempt	N/A	N/A	- Final withholding tax of 15% to 22.5% over units' revenue - Final withholding income tax of 20% over capital gains	- Final withholding tax of 20% over units' revenue and capital gains - Income may be exempt from withholding tax if special conditions are met
Bulgaria (SPIC)	Tax-exempt	Tax-exempt	N/A	N/A	- Transfer tax of 2 - 4% - Land Registrar Entrance Fee of 0.1%	Distributions and capital gains are tax-exempt	- 5% withholding tax on distributions is the final levy - Capital gains are tax-exempt
Canada (MFT)	An MFT is entitled to deduct in a year all income determined for purposes of the ITA paid or payable to unit holders in the year so it may reduce its net income to nil	Capital gains follow the same system for income except only 50% of a capital gain (a "taxable capital gain") is included in income and 50% of a capital loss can be applied to offset taxable capital gains	Credit or refund of foreign withholding tax possible.	N/A	Real estate transfer tax	Taxable	Taxable
Chile (FII)	Tax-exempt	Tax-exempt	N/A	No regulations	Notary fee and register fees	- Distribution received tax-exempt - Capital gains on disposal of units taxation subject to circumstances	- Personal income taxes - Capital gains taxation subject to circumstances
Costa Rica (REIF)	5% on gross income	5% on net amount	N/A	N/A	Transfer tax exemption	Tax-exempt	Tax-exempt
Dubai (REIT)	N/A	N/A	N/A	N/A	- Transfer fee of 1.5% - 7% - Land registration fees	N/A	N/A
France (SIIC)	Eligible income tax-exempt	Eligible capital gains tax-exempt	- In principle domestic sourced income not subject to withholding tax - The taxes withheld on foreign sourced income could be credited if a double tax treaty allows	- Exit tax payment - Tax losses carried forward are deductible from exit tax basis - Remaining losses are cancelled	- Notary and land registration fees - VAT and/or registration duties	- Dividends and capital gains are taxed at a standard rate of 34.43% - Return of capital is normally tax-free	- Capital gains and 60% of the value of the dividends are subject to French income tax - The return of capital is normally tax-free
Germany (G-REIT)	All income is tax-exempt	Capital gains are tax-exempt	Reduced withholding tax on distributions to the G-REIT	- 50% tax exemption on disposal of eligible assets to the G-REIT or pre-REIT - 50% tax exemption on conversion into a G-REIT for eligible assets	Real estate transfer tax	Fully taxable	- In general final withholding tax of 25% plus a 5.5% solidary surcharge on the withholding tax, totalling 26.375%



4.2 Foreign shareholder / unit holder			5. Tax treatment of foreign REIT			
Withholding tax	Corporate	Individual	Withholding tax	Foreign REIT	Corporate	Individual
<ul style="list-style-type: none"> - There is no final withholding tax imposed - Trustee may pay tax on behalf of beneficiary in certain circumstances - Withholding at 46.5% is required where an Australian tax file or business number is not quoted 	<ul style="list-style-type: none"> - Non-resident unit holders are subject to Australian tax at corporate tax rate of currently 30%, on their share of the trust's taxable income that is attributable to sources within Australia - Capital gains on non real property are tax-exempt 	<ul style="list-style-type: none"> - Non-resident individual unit holders are subject to Australian tax on a progressive scale starting at 29%, on their share of the trust's taxable income that is attributable to sources within Australia - Non-resident unitholders in a "managed investment trust" are subject to a flat non-final Australian tax at 30% - Capital gains on non real property are tax-exempt and taxable capital gains may be eligible for a 50% discount 	Dividend and interest paid to non-resident unit holders is subject to a final withholding tax in accordance with domestic rules/treaty rules, on dividends or interest	Similar to Australian Trust however with modifications	Like corporate unit holder of Australian trust	Like individual unit holder of Australian trust
<ul style="list-style-type: none"> - 15% final withholding tax - Special rules for SICAFI investing in Belgian real estate for private accommodation - Participation privilege for domestic corporate shareholders 	<ul style="list-style-type: none"> - 15% withholding tax - At certain conditions 0% withholding tax - Capital gains tax-exempt 	<ul style="list-style-type: none"> - 15% withholding tax - At certain conditions 0% withholding tax - Capital gains tax-exempt 	<ul style="list-style-type: none"> - Tax treaty relief available - Parent-Subsidiary Directive applicable 	No specific tax privilege	No specific tax privilege	No specific tax privilege
Unit holders may credit withholding tax paid by the FI on revenues other than from real estate activities. Credit not possible if Laws 11.033/04 and 11.196/05 applicable	<ul style="list-style-type: none"> - Withholding tax of 15% over the units' revenue - Withholding tax of 15% over the capital gains 	Equal to the corporate unit holder	Tax treaty relief available	Taxed with 15% withholding tax on income and capital gains	Information not available	Information not available
To credit withholding tax is not possible	<ul style="list-style-type: none"> - Dividends are subject to a 5% withholding tax - Possibility of dividend tax reduction - Capital gains tax-exempt 	<ul style="list-style-type: none"> - Dividends subject to a 5% withholding tax - Possibility of dividend tax reduction - Capital gains are tax-exempt 	<ul style="list-style-type: none"> - Treaty relief might apply - Parent Subsidiary Directive not applicable 	Local rental income is subject to a withholding tax of 10%	No tax privileges	No tax privileges
N/A	<ul style="list-style-type: none"> - To the extent the distribution is made out of the REIT's income, the withholding tax is imposed at a statutory rate of 25% - Tax exemption for capital gains 	<ul style="list-style-type: none"> - To the extent the distribution is made out of the REIT's income, the withholding tax is imposed at a statutory rate of 25% - Tax exemption for capital gains 	Tax treaty relief available	Taxed on Rental income and gains	Fully taxable	Fully taxable
N/A	<ul style="list-style-type: none"> - Dividends subject to a 35% withholding tax - Taxation of capital gains depend on circumstances 	<ul style="list-style-type: none"> - Dividends subject to a 35% withholding tax - Taxation of capital gains depend on circumstances 	In principle no tax treaty relief available	<ul style="list-style-type: none"> - General rules for local rental income applies - 10% income tax if special rules followed 	Likely to be treated as a normal dividend from a non-resident company	Likely to be treated as a normal dividend from a non-resident company
N/A	Tax-exempt	Tax-exempt	N/A	Taxed under normal CR tax rules	Dividends taxable at rate of 15%	Dividends taxable at rate of 15%
N/A	Detailed information not yet available	N/A	N/A	Detailed information not yet available	Detailed information not yet available	Detailed information not yet available
N/A	<ul style="list-style-type: none"> - Final withholding tax for dividends - 15% in the case of substantial participation 	<ul style="list-style-type: none"> - Final withholding tax for dividends - 15% in the case of substantial participation 	<ul style="list-style-type: none"> - Generally 25% withholding tax (or a reduced treaty tax rate) - EU Parent-Subsidiary Directive not applicable 	Election for SIIC regime possible	Same treatment as domestic shareholders of SIIC	Same treatment as domestic shareholders of SIIC
<ul style="list-style-type: none"> - Final withholding tax for privately held shares - Otherwise creditable/refundable withholding tax 	<ul style="list-style-type: none"> - Final withholding tax for dividends - Generally, tax exemption for capital gains 	<ul style="list-style-type: none"> - Final withholding tax for dividends - Generally, tax exemption for capital gains 	<ul style="list-style-type: none"> - 25% plus a 5.5% solidarity surcharge, resulting in a rate of 26.375% (or a reduced treaty tax rate or a reduced withholding tax rate for foreign corporate shareholders) - EU-Parent-Subsidiary Directive not applicable 	Fully taxable	Like dividends from G-REIT if foreign REIT is a qualifying REIT	Like dividends from G-REIT if foreign REIT is a qualifying REIT



3. Tax treatment at the level of REIT				4. Tax treatment at the shareholder's/unit holder's level			
3.1 Corporate tax				3.2	3.3	4.1 Domestic shareholder / unit holder	
Country	Current income	Capital gains	Withholding tax	Conversion into REIT status	Registration duties	Corporate	Individual
Greece (REIC)	Assets and funds taxes at 10% of European Central Bank (ECB) interest rates plus 1%	- Tax-exempt	N/A	Tax benefits upon absorption of real estate companies.	Exemption from any Greek tax and stamp duties	Tax-exempt	Tax-exempt
Hong Kong (HK-REIT)	- 16.5% at SPV level - Dividends from SPV tax-exempt - Foreign sourced income tax-exempt	N/A	N/A	N/A	Stamp duties	Tax-exempt	Tax-exempt
India	No information available	No information available	No information available	N/A	Stamp duty between 5% to 15%	- No information available	- No information available
Israel (REIF)	- No taxation of distributed eligible income - Undistributed prohibited income subject to 60% tax rate. In case of distribution 70% tax rate	Distributed capital gains tax-exempt	- Deduction only if levied on taxable income - No domestic withholding tax	N/A	Reduced real estate "purchase tax"	- Corporate tax is 27% in 2008 - Capital gains tax is 25%	- Individual tax rate is 47% in 2008 - Capital gains tax is 20%
Italy (SIIQ)	Eligible income is tax-exempt	Ordinary corporate taxation	N/A	- 20% substitute tax on real property contributed to SIIQ - 20% substitute tax on conversion "entry tax"	- Industrial buildings: subject to a 20% VAT and to 8.5% transfer taxes - Residential buildings: subject to 8.5% transfer taxes with some exceptions - Registration duties can be avoided	Fully taxable	- Generally withholding tax is the final levied for SIIQ exempted income - Dividends paid-out of the non-exempted income will be subject to ordinary dividend taxation rules - Possible taxation of capital gains
Japan (JREIT)	- Corporate tax of 42% - Dividends are deductible from taxable income	Follows the same system as ordinary income	- Japanese withholding tax can be credited (refundable) - Foreign income taxes including withholding tax can be credited against Japanese withholding tax imposed on distributions to the shareholders	N/A	- Real property acquisition tax (favourable rate can be applied) - Registration tax (favourable rate can be applied) - Consumption tax	Standard corporate tax rate	- In practice, final withholding tax of 10% for individual shareholders
Lithuania (IC)	- Investment income (e.g. rental income, capital gains upon disposal of property and shares) is tax-exempt - Dividend income or any other income from distributed profits and other business income subject to 15% profit tax. - Participation exemption might apply	Tax-exempt	In principle creditable	N/A	- Land registration fee and real estate registration fee apply - Notary fees are 0.45% of the value of property capped at approx. 5,800 EUR	- In principle final withholding tax of 15% - Participation exemption might apply - Generally, capital gains are subject to 15% income tax	- Final Withholding tax of 15% - Generally, capital gains are subject to 15% income tax
Luxembourg	Tax-exempt	Tax-exempt	Tax-exempt (except Savings Directive)	- Capital duty (EUR 1,250) - Taxation of underlying assets or properties	Luxembourg real estate transfer tax (Max. 10%)	- Corporate income tax (max. 22%) combined with municipal tax (max. combined rate of 29.63%) - Net worth tax (0.5%)	Income tax (max. 38%)
Malaysia (Unit trust)	Tax-exempt if 90% of total income is distributed	Tax-exempt	- Creditable for taxable income - Not refundable for non-taxable income	N/A	Stamp duty exemption	- 26% income tax on distributions (reduced to 25% in the tax year 2009 and onwards) - No capital gains tax	- 15% withholding tax final levy for distributions on income not taxed at level of REIT - Tax rates of 0-28% on gross income from distributions of income taxed at level of REIT. Such income carry a tax credit - No capital gains tax
Mexico (Mexican Trust)	Corporate income tax of 28% withheld by trustee	Corporate income tax of 28% withheld by trustee	N/A	Deferred taxation of contributions in the trust status	Local transfer tax	Corporate tax of 28% on distributions and capital gains from the sale of the certificates	- Income tax of 28% on distributions and capital gains from the sale of the certificates - Income from the sale of Trust certificates through Stock Exchange is tax-exempt



4.2 Foreign shareholder / unit holder			5. Tax treatment of foreign REIT			
Withholding tax	Corporate	Individual	Withholding tax	Foreign REIT	Corporate	Individual
N/A	Tax-exempt	Tax-exempt	N/A	No specific tax privilege	No specific tax privilege for foreign corporate REIT type	No specific tax privilege for foreign corporate REIT type
N/A	Tax-exempt	Tax-exempt	N/A	Local tax rules apply	No taxation	No taxation
- No information available	- No information available	- No information available	- No information available	N/A	N/A	N/A
In principle, no final withholding tax	- Withholding tax subject to tax rates applicable for Israeli companies - "Prohibited income" which is not distributed subject to 60% tax	- Withholding tax subject to tax rates applicable for Israeli individual - "Prohibited income" which is not distributed subject to 60% tax	- Final withholding tax - Treaty relief available to distributions of prohibited income in later years	Taxed under normal Israeli tax rules	- Taxed at corporate tax rate of 27% in 2008 if REIT is a "flow through entity" - Dividend is subject to 25% tax, if the REIT is not a "flow through entity"	- Taxed at 47% in 2008 if REIT is a "flow through entity" - Dividend income will be subject to 20/25% tax if the REIT is not a "flow through entity"
- 20% withholding tax of the distribution of exempted SIIQ income - Corporate and business shareholders can credit the withheld taxes	Withholding tax is the final levy	Withholding tax is the final levy	- Treaty relief benefits not yet verified - Applicability of Parent Subsidiary Directive not yet verified	It follows the ordinary source taxation rule at rate of 27.5%	1.375% final taxation	12.5% final tax or 60% of exemption depending on the number of the shares held
- In principle, withholding tax of 7% for corporate shareholders - In principle, withholding tax of 10% for individual shareholders - Shareholders can credit the withholding tax levied, if withholding tax is not final	Withholding tax is final levy	Withholding tax is final levy	- In principle 7% withholding tax for corporate and individual shareholders - May benefit from tax treaties	No favourable treatment	No favourable treatment	No favourable treatment
Creditable	- Final withholding tax of 15% on dividends (may be reduced to 0%) - Capital gains are tax-exempt	- Final withholding tax of 15% on dividends - Capital gains are tax-exempt	- Local participation privilege available - Treaty benefits available - Parent-Subsidiary Directive applicable	Rental income shall be subject to 10% withholding tax	- Dividends are subject to 15% profit tax (may be reduced to 0%) - Generally, capital gains are subject to 15% profit tax	- Residents income tax of 15% on dividends - Generally, capital gains are subject to 15% income tax
N/A	No taxation	No taxation	N/A	Net worth tax	Fully taxed	Fully taxed
No withholding tax levied on distributions to corporate unit holder. 15% withholding tax on resident individual investors	- 26% for 2008 (reduced to 25% in the tax year 2009 and onwards) - 20% for institutional investors	15% for individuals	No specific relief available	Taxation subject to Double Tax Treaty	Tax-exempt	Tax-exempt
- Withholding tax of 10%, only for individuals in the case of sale of Trust certificate - Withholding tax of 28% (corporate and individual) in the case of Trust's distributions	Final withholding tax	Final withholding tax	- 10% withholding tax rate on Mexican real estate income received by foreign investors in the case of the alienation of the Trust Certificates - 28% withholding tax of (corporate and individual) in the case of Trust's distributions	28% corporate income tax if resident. Otherwise taxation depends on tax treaty	Like corporate unit holder of a Mexican REIT	28% withholding tax



3. Tax treatment at the level of REIT				4. Tax treatment at the shareholder's/unit holder's level			
3.1 Corporate tax				3.2	3.3	4.1 Domestic shareholder / unit holder	
Country	Current income	Capital gains	Withholding tax	Conversion into REIT status	Registration duties	Corporate	Individual
Netherlands (FBI)	Real property income forms part of the taxable profit and is taxed at a 0%-rate (full exemption)	Capital gains/losses can be allocated to a tax-free reserve and are thus exempt from tax	Taxes withheld are refunded	- All assets/liabilities are assessed at market value - Tax-free reserves should also be added to the taxable income - The "built-in"-capital gain is subject to CIT at a normal rate	- No capital duties - A real property transfer tax rate of 6% is applied if the FBI acquires or disposes real property or shares from/to real estate companies	Dividends and capital gains are taxable	Taxpayer is taxed on the basis of a deemed income
New Zealand (PIE)	Subject to standard corporate tax rate (30%)	Gains may be taxable depending on circumstances	Generally subject to resident withholding tax of 33%, reduced by the amount of imputation (franking) credits attached	Deemed disposal and re-acquisition of certain Australasian share investments at market value immediately before PIE election is effective	None	- Distributions of companies and unit trusts taxed at normal income tax rate - Distribution of a PIE: allocated PIE income taxed at normal income tax rate, with no tax on distributions from unlisted PIEs. Distributed from listed company or unit trust PIEs may be taxable dividends to the extent imputation or foreign dividend payment credits are attached	- Distributions of companies and unit trusts taxed at normal income tax rate - Distribution of a PIE: allocated PIE income taxed at 19.5% or 30% final levy with no tax on distributions unless NZ resident individual or trustee taxpayers elect to treat as taxable
Pakistan (REIT)	Tax-exempt, if 90% of net income distributed	Capital gains on immovable property are tax-exempt	- Tax exempt for received dividend, profit on debt (interest) or commission - Other withholding tax due can be avoided by exemption certificate	N/A	Stamp duty	- 5% (10%) withholding tax final levy - Capital gains tax-exempt	- 10% withholding tax final levy - Capital gains tax-exempt
Philippines (REIC)	Only non-distributed current income subject to taxation	Transfer of shares of stock of a domestic corporation subject to special rates of capital gains tax. Other types of capital gains are included in gross income.	Foreign withholding tax deductible or creditable Local withholding tax creditable	"Conversion" may be through a transfer of existing REIC-eligible assets to a REIC	Registration fees, VAT, DST, local withholding tax, and local transfer taxes	Distributions tax-exempt	- Final 10% withholding tax on dividends received.
Puerto Rico (REIT)	Eligible income is tax-exempt	Eligible capital gains are tax-exempt	Eligible income received by the REIT is not subject to withholding tax	No regulations	Stamp duties and register fees	- Final withholding tax on dividends - Capital gains are taxable	- Final withholding tax on dividends - Capital gains are taxable
Singapore (SREIT)	Eligible rental income tax-exempt	No tax imposed on capital gains	No foreign withholding tax refunds in case of tax-exempted income	N/A	- Stamp duties from 0.2-3%, remission under certain requirements - Goods and Service Tax may be applicable - No capital duty	- 18% corporate tax - Distribution out of capital gains generally not taxable - Capital gains are generally tax-exempt (exception for example trading assets)	- Current income distributions in principle tax-exempt - Distribution out of capital gains generally not taxable - Capital gains are generally tax-exempt (exception for example trading assets)
South Africa (PUT)	PUT - Distributed income tax-exempt - Non-distributed income is subject to a tax rate of 40% PLS - Corporate tax rate of 28%	PUT - Distributed income tax-exempt - Non-distributed capital gains are taxed with an effective tax rate of 20% PLS - Capital gains are taxed at an effective tax rate of 14%	PUT Foreign withholding tax depending on tax treaty creditable PLS Foreign withholding tax depending on tax treaty creditable	N/A	No specific rules	PUT - Distributed interest and rental income taxed as if income was directly received - Taxation of capital gains on disposal (if not dealer) 50% of the gain is included in taxable income (resulting in an effective rate of max. 14%). PLS - Interest income received taxed at corporate rate of 28%. - Dividend income exempt if unit holder is not a collective investment scheme - Taxation of capital gains on disposal (if not dealer) 50% of the gain is included in taxable income (resulting in an effective rate of max. 14%).	PUT - Distributed interest and rental income taxed as if income was directly received - Taxation of capital gains on disposal (if not dealer) 25% of the gain is included in taxable income (resulting in an effective rate of 7%). PLS - Interest income received taxed as individual tax rate - Dividend income exempt - Taxation of capital gains on disposal (if not dealer) 25% of the gain is included in taxable income (resulting in an effective rate of 7%).



5. Tax treatment of foreign REIT						
4.2 Foreign shareholder / unit holder						
Withholding tax	Corporate	Individual	Withholding tax	Foreign REIT	Corporate	Individual
- In principle withholding tax of 15% - Creditable	Only 15% withholding tax is levied	The 15% withholding tax is levied	- Tax treaty relief might apply - Parent Subsidiary Directive not applicable	A foreign REIT is tax-exempt	No specific tax privileges	No specific tax privileges
- Up to 33% on distributions, reduced by imputation credits attached	30% tax rate	30% tax rate	- In principle 30% withholding tax, reduced to 15% to the extent imputation (franking) or similar credits are attached - Tax treaty relief available	- 30% Corporate tax - Treaty relief might apply	May be taxable under “CFC” or “FIF” regime	May be taxable under “CFC” or “FIF” regime
No credit possible	- 10% withholding tax final levy - Capital gains tax-exempt	- 10% withholding tax final levy - Capital gains tax-exempt	No tax treaty relief available	35% tax on Pakistan source income	10% tax on dividend received	10% tax on dividend received
- Final withholding tax for individual shareholders	10%	10%	Tax treaty relief available	Subject to taxation, unless there are applicable preferential rates or exemptions under tax treaties	Subject to taxation	Subject to taxation
Withholding tax of 10% on dividends	- Final withholding tax on dividends - Generally, final withholding tax on capital gains	- Final withholding tax on dividends - Generally, final withholding tax on capital gains	- Withholding tax of 10% on dividends - Puerto Rico has not entered into any Tax Treaties	Foreign REIT can qualify for REIT status	No specific tax privilege	No specific tax privilege
Generally no	Final withholding tax on current income distribution - Withholding tax is not applicable on distribution of tax-exempt income (e.g. foreign dividends) - Distribution out of capital gains generally not taxable	Distribution and capital gains in principle, exempted from tax	- 10% until 17 February 2010 on distributions to non individuals - No treaty relief available	Taxed under normal Singapore tax rules	Tax-exempt	Tax-exempt
N/A	- Interest distribution tax-exempt - Rental income fully taxable - Capital gains taxed like domestic unit holder - Dividend income exempt if unit holder is not a collective investment scheme	- Interest distribution tax-exempt - Rental income fully taxable - Capital gains taxed like domestic unit holder	Tax treaty relief available	Same tax treatment as PUT and PLS company	Same tax treatment as income from PUT and PLS company	Same tax treatment as income from PUT and PLS company



3. Tax treatment at the level of REIT				4. Tax treatment at the shareholder's/unit holder's level			
3.1 Corporate tax				3.2	3.3	4.1 Domestic shareholder / unit holder	
Country	Current income	Capital gains	Withholding tax	Conversion into REIT status	Registration duties	Corporate	Individual
South Korea (REIC)	Income technically tax-exempt, if 90% distribution requirement met	Income technically tax-exempt, if 90% distribution requirement met, but in certain cases 33% capital gains surtax	- No withholding tax levied on domestic distribution - Entitled to claim a foreign tax credit with a certain ceiling of tax credit	N/A	- Acquisition tax - Registration tax	- Subject to corporate income tax and resident sure tax - No difference between current income dividend and capital gains dividend - Capital gains on disposal subject to ordinary income tax rate	- Withholding tax of 15.4% final levy if interest and dividend income does not exceed KRW 40 million - Capital gains tax-exempt if certain thresholds are met
Spain (RECI)	1% income tax rate	1% income tax rate	General withholding tax rules	N/A	95% exemption on Transfer Tax and Stamp Duty	Dividends and capital gains taxed at general rate	- Dividends and capital gains are taxed at the same 18% rate - Capital gains personal income tax applies. Exemption possible if reinvested in RECI
Taiwan (REIT)	Tax-exempt	Tax-exempt	Refundable	N/A	- There are registration fees for the formality of the Trustee - There are no tax/ fee/ duty imposed on the issuance of the beneficial securities	Current: - Withholding tax final levy on distributions Future: - the distribution may be consolidated into gross corporate income if the draft is approved by the Legislative Yuan Capital gains corporate tax-exempt, but subject to alternative minimum tax	- Withholding tax final levy on distributions - Capital gains tax-exempt
Thailand (PFPO)	Not subject to income tax, but a 12.5% Land and Building tax on rental income of immovable properties levied	Tax-exempt	N/A	No direct conversion to property fund status is allowed	Reduced transfer tax of 0.01%	- Generally distributions 50% (unlisted company) or 100% (listed company) tax exempt - 30% income tax on capital gains	- Income tax of 5-37% - If unit holder allows the fund to deduct 10% withholding tax, this withholding tax final levy - Capital gains tax-exempt
Turkey (REIT)	Tax-exempt	Tax-exempt	Credit/refund may be possible	In principle, no tax privilege	- Title deed fee of 3% - Stamp tax exemption - Transfer may be subject to VAT	Dividends and capital gains from share disposal subject to standard corporate income tax rate (20%)	- 50% of dividend subject to individual income tax (15% to 35%) - Capital gains in principle tax exempt
UK (UK-REIT)	- Rental income from tax-exempt property - Non tax exempt business is taxable in ordinary manner (30%)	Eligible property is tax-exempt	- In principle no withholding tax levied on domestic distributions (only on tax-exempt profit distributions) - If foreign income is taxable credit of foreign withholding tax possible	Conversion charge of 2% of the gross market value of property rental business assets	Stamp Duty Land Tax of between 1% and 4%	- Distributions of tax-exempt profits (PIDs) are treated as rental profits taxable at 20% - In most cases distributions of taxed income at level of REIT will be tax-exempt - Capital gains on disposal of REIT shares are taxable under normal capital gains rules	- 20% tax on PIDs (collected by way of the withholding tax) - Higher rate tax payers pay additional 20% through his tax return - Capital gains on disposal of REIT shares taxable in ordinary manner
USA (US-REIT)	Tax-exempt, if distributed	Tax-exempt, if distributed	- No refund of foreign withholding tax - It can credit a foreign tax as deduction	- "Built in gains" are taxable - Exemption is possible if assets held for 10 years	Transfer tax	Income, capital gains, and return of capital distributions are taxed at a rate of 35%	- Capital gain dividends are taxed at the maximum 15% rate - Return of capital is tax-deferred



4.2 Foreign shareholder / unit holder			5. Tax treatment of foreign REIT			
Withholding tax	Corporate	Individual	Withholding tax	Foreign REIT	Corporate	Individual
- No withholding tax for domestic corporation - Final withholding tax of 15.4% for Korean individual residents on distributions	- Withholding tax of 27,5% - Can be reduced according to a tax treaty	- Withholding tax of 27,5% - Can be reduced according to a tax treaty	Tax treaty relief available	Tax privileged with its Korean rental income	No specific tax privilege	No specific tax privilege
Generally creditable	Dividends and capital gains are subject to the same 18% withholding tax rate	Same as corporate foreign shareholders	- Tax treaty relief might apply - Parent-Subsidiary Directive might apply	Case by case basis	Subject to taxation in Spain. Specific analysis of foreign REIT is required	Subject to taxation in Spain. Specific analysis of foreign REIT is required
Current: - Final withholding tax of 6% Future: - WHT rate of 10% may apply if the draft is approved by the Legislative Yuan	Final withholding tax of 6%	Final withholding tax of 6%	No tax treaty relief available	Investment income subject to withholding tax Capital gains are tax free	Corporate income tax	Need further clarification
- 10% or 0% withholding tax on distributions to an individual unit holder - No withholding tax levied on distributions to a corporate unit holder	N/A	N/A	N/A	Same as other foreign companies	- N/A	- N/A
General view: N/A	0% withholding tax	0% withholding tax	0% withholding tax	No tax privilege	No tax privilege	No tax privilege
Withholding tax is deducted at 20% on PIDs to individual shareholders. REIT shares held via a "tax wrapper" such as an ISA can be paid gross.	- 20% final withholding tax for PIDs - Disposal of shares in a UK REIT are outside the scope of UK capital gains tax	- 20% final withholding tax for PIDs - Disposal of shares in a UK REIT are outside the scope of UK capital gains tax	- Tax treaty relief available if claimed following receipt. Will be treated as a dividend distribution under most treaties - Parent-Subsidiary Directive not applicable	Taxed under normal UK tax rules	30% tax on foreign income	20% or 40% tax on foreign income
N/A	- 30% on income dividends - 35% on capital gain dividends - 10% on return of capital	- 30% on income dividends - 35% on capital gain dividends - 10% on return of capital	Tax treaty relief available	Generally 30% withholding tax	- Dividend distributions are taxed at a rate of 35% - Return of capital is tax deferred	- Dividends are generally taxed at the 15% rate if foreign REIT is not a "PFIC" - Return of capital is tax-deferred