BDO LUXEMBOURG

Withholding Tax Reclaim Services

Withholding Tax Reclaim Services

Recover excess withholding tax on securities income:

- International investment portfolios often generate dividends and interest subject to withholding tax in the country of source
- In many cases, the tax withheld may exceed the rate effectively available under an applicable double tax treaty, domestic law, EU law or specific refund procedure
- This excess tax may be recoverable – but reclaim procedures are often complex, document-heavy and subject to strict deadlines

BDO can help you identify, quantify and recover excess withholding tax on securities income through a pragmatic and coordinated approach.

Why does it matter?

Withholding tax leakage can reduce investment returns and leave recoverable cash unclaimed.

Common challenges include:

- Excess withholding tax applied on dividends or interest
- Missed treaty, domestic law or EU law reclaim opportunities
- Complex procedures across multiple jurisdictions
- Heavy documentation requirements
- Limited visibility on recoverable amounts
- Risk of missing statutory deadlines
- Time-consuming coordination with custodians and tax authorities

Who is concerned?

Our services are designed for investors and financial sector participants holding or managing international securities portfolios, including:

- Investment funds and fund managers
- Management companies and AIFMs
- Insurance companies and pension funds
- Banks and private banks
- Family offices
- Institutional investors
- Holding companies with international securities portfolios

How BDO can help

Identify opportunities

- We review your securities income and withholding tax data to identify potential reclaim opportunities by country, income type and investor profile
- We consider the relevant legal basis including tax treaties, domestic rules, EU law principles and available refund or relied-at-source procedures

Manage the Reclaim Process to Support WHT Recovery

- We compare the withholding tax actually applied with the rate that may have been available
- This provides a clear view of:
    - Potential reclaimable amounts
    - Open years
    - Filing deadlines
    - Key documentation requirements
    - Expected feasibility

Support the Reclaim Process

- Once opportunities are confirmed, BDO can assist with the preparation and filing of reclaim applications
- This may include:
    - Preparing reclaim forms
    - Reviewing supporting documentation
    - Coordinating tax residence certificates
    - Liaising with custodians, administrators and local advisers
    - Monitoring claims and refund status

Withholding Tax Reclaim

BDO Tax Regulatory Services combines deep technical expertise, operational pragmatism and long-standing experience supporting leading financial institutions. We provide end-to-end Withholding tax reclaim support through a single, experienced point of contact.

Pragmatic

Focused on claims that are commercial meaningful

Structured

With clear steps, responsibilities and deadlines

Coordinated

Managed from Luxembourg, with support from the BDO international network where needed

Transparent

Supported by clear reporting on amounts identified, filed and recovered

Tailored

Adapted to your portfolio, investor profile and international operating model

Key benefits

Working with BDO can help you:

- Recover excess withholding tax
- Reduce tax leakage
- Improve cash recovery
- Avoid missed filing deadlines
- Reduce internal administrative burden
- Strengthen tax governance
- Centralise multi-county reclaim coordination
- Improve reporting and visibility

INTERESTED?

Get in touch with our experts:

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What's next?

- The first step is an opportunity assessment based on your available data.
- BDO can help you determine whether recoverable amounts exist, estimate the potential value and define the most appropriate reclaim strategy.

Turn withholding tax leakage into recoverable value.

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