



# **Why corporate tax incentives undermine climate justice**

Appendices

June 2024

## Appendix 1: Statistics on incentives in the shipping industry\*

Table 1.1: Overview statistics of tax incentives in the shipping industry (Source: CTHI 2021)

	Application Scope of Incentive		Application Effect of Incentive		Any incentives
	Broad/Generic	Targeted/Specific	Full tax exemption	Partial tax exemption	
All jurisdictions • % of 70 jurisdictions assessed	31%	39%	36%	27%	59%
Excluding jurisdictions with 0% or no corporate income tax • % of 60 jurisdictions assessed	20%	45%	25%	32%	52%

Table 1.2: Country overview of tax incentives in the shipping industry (Source: CTHI 2021)

Country name	No or 0% Corporate income tax	Transport (incl Tonnage)
Anguilla	No or 0% tax	-
Bahamas	No or 0% tax	-
Belgium	n.a.	Partial (Tonnage)
Bermuda	No or 0% tax	-
British Virgin Islands	No or 0% tax	-
Bulgaria	n.a.	Partial (Tonnage)
Cayman Islands	No or 0% tax	-
Costa Rica	Other systemic loophole	-
Croatia	n.a.	Partial (Tonnage)
Curacao	Other systemic loophole	Full
Cyprus	n.a.	Partial (Tonnage)
Denmark	n.a.	Partial (Tonnage)
Estonia	Other systemic loophole	-
Finland	n.a.	Partial (Tonnage)
France	n.a.	Partial (Tonnage)
Germany	n.a.	Partial (Tonnage)
Gibraltar	Other systemic loophole	Partial (Tonnage)
Greece	n.a.	Partial (Tonnage)
Guernsey	No or 0% tax	-
Hong Kong	Other systemic loophole	Full
Ireland	n.a.	Partial (Tonnage)
Isle of Man	No or 0% tax	-
Italy	n.a.	Cost-based (tonnage)
Jersey	No or 0% tax	-
Latvia	Other systemic loophole	Partial (Tonnage)
Lebanon	Other systemic loophole	Full
Liberia	Other systemic loophole	Partial (Tonnage)
Lithuania	n.a.	Partial (Tonnage)
Malta	n.a.	Partial (Tonnage)
Mauritius	n.a.	Full
Monaco	Other systemic loophole	-

Montserrat	n.a.	Full
Netherlands	n.a.	Partial (Tonnage)
Panama	Other systemic loophole	Full
Poland	n.a.	Partial (Tonnage)
Seychelles	Other systemic loophole	-
Singapore	Other systemic loophole	Full
South Africa	n.a.	Full
Spain	n.a.	Partial (Tonnage)
Taiwan	n.a.	Partial (Tonnage)
Turks and Caicos Islands	No or 0% tax	-
United Arab Emirates	No or 0% tax	-
United Kingdom	n.a.	Cost-based (tonnage)

\*Full data of the sample incl. detailed notes and sources for each of the countries are freely available on the website of the [Corporate Tax Haven Index](#).

#### Legend:

No or 0% tax	General	Some countries do not impose any type of tax on corporate income, regardless of the activity undertaken. Others have a statutory 0% CIT, but higher tax rates apply to specific economic activities.
Other systemic loophole	Broad/Generic	Certain countries provide very broad tax incentives that are integrated into the main features of their tax systems. For instance, territorial countries fully exempt all income from foreign sources, other countries indefinitely delay the payment of CIT (income retention exemptions), or have other intricate systems which allow broad non-taxation if certain conditions are met.
Full	Broad/Generic or Targeted/Specific	Full profits-based tax exemptions are available in the country.
Partial	Targeted/Specific	Partial profits-based tax incentives are available in the country.
Partial (tonnage)	Targeted/Specific	A profits-based tonnage tax regime is available in the country. Although the effective tax rates may be very close to 0%, we consider these incentives as partial exemptions to CIT.
Cost-based (tonnage)	Targeted/Specific	While environmentally harmful activities are incentivised in the country, there are expenditure (cost-based) requirements that mitigate tax avoidance and jurisdiction shopping risks.
n.a.	Not available	This tax incentive is not available in the country.

## Appendix 2: Statistics on incentives in the extractive sector\*

Table 2.1: Overview statistics of tax incentives in the extractive industry (Source: CTHI 2021)

	Application Scope of Incentive		Application Effect of Incentive		Any incentives
	Broad/Generic	Targeted/Specific	Full tax exemption	Partial tax exemption	
All jurisdictions • % of 70 jurisdictions assessed	31%	23%	36%	16%	50%
Excluding jurisdictions with 0% or no corporate income tax • % of 60 jurisdictions assessed	20%	27%	25%	18%	42%

Table 2.2: Overview statistics of tax incentives in the extractive industry (Source: CTHI 2021)

Country name	No or 0% Corporate income tax	Extractives (incl Tonnage)
Anguilla	No or 0% tax	-
Argentina	n.a.	Partial
Aruba	n.a.	Partial
Bahamas	No or 0% tax	-
Belgium	n.a.	Partial (Tonnage)
Bermuda	No or 0% tax	-
British Virgin Islands	No or 0% tax	-
Cayman Islands	No or 0% tax	-
China	n.a.	Full
Costa Rica	Other systemic loophole	-
Croatia	n.a.	Partial (Tonnage)
Curacao	Other systemic loophole	Full
Cyprus	n.a.	Partial (Tonnage)
Denmark	n.a.	Partial (Tonnage)
Estonia	Other systemic loophole	-
Germany	n.a.	Partial (Tonnage)
Gibraltar	Other systemic loophole	-
Greece	n.a.	Partial (Tonnage)
Guernsey	No or 0% tax	-
Hong Kong	Other systemic loophole	-
Isle of Man	No or 0% tax	-
Jersey	No or 0% tax	-
Latvia	Other systemic loophole	Partial (Tonnage)
Lebanon	Other systemic loophole	-
Liberia	Other systemic loophole	-
Malta	n.a.	Partial (Tonnage)
Mauritius	n.a.	Full
Monaco	Other systemic loophole	-
Montserrat	n.a.	Full
Netherlands	n.a.	Partial (Tonnage)
Panama	Other systemic loophole	-

Seychelles	Other systemic loophole	-
Singapore	Other systemic loophole	Full
Turks and Caicos Islands	No or 0% tax	-
United Arab Emirates	No or 0% tax	-

\*Full data of the sample incl. detailed notes and sources for each of the countries are freely available on the website of the [Corporate Tax Haven Index](#).

#### Legend:

No or 0% tax	General	Some countries do not impose any type of tax on corporate income, regardless of the activity undertaken. Others have a statutory 0% CIT, but higher tax rates apply to specific economic activities.
Other systemic loophole	Broad/Generic	Certain countries provide very broad tax incentives that are integrated into the main features of their tax systems. For instance, territorial countries fully exempt all income from foreign sources, other countries indefinitely delay the payment of CIT (income retention exemptions), or have other intricate systems which allow broad non-taxation if certain conditions are met.
Full	Broad/Generic or Targeted/Specific	Full profits-based tax exemptions are available in the country.
Partial	Targeted/Specific	Partial profits-based tax incentives are available in the country.
Partial (tonnage)	Targeted/Specific	A profits-based tonnage tax regime is available in the country. Although the effective tax rates may be very close to 0%, we consider these incentives as partial exemptions to CIT.
Cost-based (tonnage)	Targeted/Specific	While environmentally harmful activities are incentivised in the country, there are expenditure (cost-based) requirements that mitigate tax avoidance and jurisdiction shopping risks.
n.a.	Not available	This tax incentive is not available in the country.