

Foreside Financial Group and WTax Partner To Optimize Reclamation of Investors' International Withholding Tax

October 6, 2021



Portland, Maine (October 6, 2021) – Foreside Financial Group, LLC (“Foreside”), a provider of governance, risk management, and compliance and technology services in the global asset and wealth management industry, today announced its partnership with WTax, a world leader in technology-supported withholding tax recovery services.

Withholding tax recovery presents investors with a multitude of operational challenges resulting in recovery yields falling as low as 20%. Continuously changing regulations across multi-jurisdictional offices, significant investor-documentation requirements, language barriers and paper-based logistical burdens are some of the hurdles faced by tax teams in recouping withheld taxes. Furthermore, the gap in knowledge and resources, and the compounding effect of consistent tax leakages causes a material drag on resources based on efforts to overcome these challenges and on investment performance as well.

Daniel Ginsburg, CEO of WTax, comments: “Through our partnership with Foreside, we are proactively addressing clients’ struggles in recovering their foreign withholding taxes. We have experts on the ground in over forty offices to ensure withheld taxes on investment income are successfully refunded to clients. Clients can easily track their claim progress through WTax’s online reporting portal, or with their own dedicated client

relationship manager. This facilitates transparency and improves reporting of the entire process.”

“We see the tax withholding recovery process as an integral part of our comprehensive solution in support of investment advisors, asset managers and wealth managers,” said John Vekich, Managing Director of Foreside. “As more countries have ramped up their tax withholding and collection efforts, and their cross-jurisdiction cooperation programs, we have found recovering taxes for our clients is more challenging. Our partnership with WTax will enable us to help clients be more successful in recovering withholding taxes from foreign jurisdictions whether for themselves or for their investors.”

“Most asset and wealth managers assume that their existing process ensures all eligible withholding taxes are successfully refunded. However, certain claims require regulatory and court filings that need to be submitted to the investment country’s tax authorities. This creates a significant administrative burden that WTax is well-equipped to alleviate,” said Julia Bricker, Managing Director of WTax North America.

Foreside will be rolling out this service to its clients and will work with WTax to educate clients and the industry about this critical challenge affecting international investments.

About Foreside Financial Group

Foreside delivers comprehensive advice and best-in-class technology solutions to clients in the global asset and wealth management industries. Foreside distributes more than \$1 trillion* of product through their 17 limited purpose broker-dealers. For 15 years, Foreside’s suite of services and platform-based model have helped automate and simplify compliance and marketing for clients. Foreside works with pooled investment products, investment advisors, broker-dealers, global asset managers and other financial institutions. By harnessing state-of-the-art technology, Foreside helps firms address and shape today’s regulatory environment, drive operational efficiency and growth, and focus on value-adding work. Foreside is headquartered in Portland, Maine, with numerous regional offices, including New York and Boston. For more information on Foreside’s suite of services, please visit www.foreside.com.

*as of 1/1/2021

About WTax

WTax is a division of the VAT IT Group, an indirect tax recovery firm with global reclaim capabilities, an extensive network and infrastructure that provides specialist, fully outsourced foreign withholding tax recovery solutions in over 30 jurisdictions. WTax’s investment in and vision of a truly automated reclaim process, coupled with two decades of indirect tax knowledge, allows their clients to be freed of the administrative and complex

reclaim processes which hinder investment performance. WTax currently services over 4,000 clients ranging from \$10M to \$1T AUM and enhances their clients' annual performance by up to 50bps per annum. For more information, please visit www.wtax.co.

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