



10 April 2017

OECD issues guidance on BEPS Action 13 (Country-by-Country Reporting)

The OECD issued [guidance](#) on the interpretation and application of the Country-by-Country reporting model legislation of October 2016 BEPS Action Point 13 Final Report. The guidance aims to facilitate the implementation of the Country-by-Country reporting standard into national legislation, and to help jurisdictions in introducing consistent domestic rules.

The Country-by-Country implementing package includes model legislation that could be adopted by jurisdictions to require the parent company of a multinational group to submit a report in its country of residence. The package comprises a model Competent Authority Agreement that would help in implementation of the exchange of information, based on the Multilateral Convention on Administrative Assistance in Tax Matters; Double Taxation Conventions, and Tax Information Exchange Agreements.

The guidance addresses five specific issues: definition of revenues, standard to determine membership of a group company, definition of consolidated group revenue, treatment of shareholdings and definition of related party.

The [BEPS Action 13](#) October 2016 Report envisages Country-By-Country Reporting as minimum standard, containing a three-tiered standardised approach to transfer-pricing documentation. The minimum standard reflects a commitment to consistent implementation of the Country-by-Country Reporting.

European Parliament "PANA" Committee of Inquiry update

A session of the European Parliament "PANA" Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion took place on Thursday 6 April in Strasbourg. The Committee of Inquiry held a public hearing on the impact of the schemes revealed by the Panama Papers on developing countries. Alvin Mosioma, Tax Justice Network Africa, Will Fitzgibbon, International Consortium of Investigative Journalists and Nuhu Ribadu, Government of Nigeria, were among the invitees who gave evidence to the Committee on the impact of money-laundering and tax evasion on developing countries, with a focus on the cooperation between the EU and African authorities and the deficiencies in the existing

legal framework in respect of EU law. The next session of the “PANA” Committee of Inquiry is scheduled for 27 April in Brussels.

Public Access to Beneficial Ownership Register voted by the Germany’s Bundesrat

The Upper House of the German Federal Parliament (‘Bundesrat’) [voted to allow access of the general public to the beneficial ownership registers](#). The original German Cabinet proposal that effectively implements the 4th EU Anti-Money Laundering Directive (Directive 2015/849/EU) requires establishment of electronic registry of owners and operators of businesses (beneficial ownership), in an attempt for increased transparency and limiting the possibilities for money-laundering and terrorism financing.

The changes to the original EU law implementing act voted by the Bundesrat raise privacy concerns related to access to sensitive information belonging to mid-sized companies. To adopt the legislation, both Houses of German Parliament need to consent, and pass the legislation implementing the Directive by end of June, in order to comply with EU law.

UN Tax Committee Meetings held in New York

The 14th Session of the UN Committee of Experts on International Cooperation in Tax Matters was held between 3 -6 April 2017 in New York. The meeting was held back-to-back with the ECOSOC special meeting on the international cooperation in tax matters, in order to facilitate a dialogue and encourage intergovernmental cooperation.

The UN Committee discussed modifications to the United Nations Model Double Taxation Convention between developed and developing countries, specifically regarding articles 1, 5 and 8; articles 9, 12 and 13; and articles 23 and 26.

According to the Reports from the UN Secretariat, the UN Committee is recommending adopting a limitation of benefits clause (LoB) in the UN Model, following up on the OECD BEPS Recommendations of October 2016, as well as [changes to the UN Model dispute resolution procedure](#) to require countries to resolve disputes through the mutual agreement procedure. This would incorporate OECD BEPS Action 14 into the UN Model Tax Convention.

*The selection of the remitted material has been prepared by
Piergiorgio Valente / Aleksandar Ivanovski / Mary Dineen / Filipa Correia*

Follow CFE on [LinkedIn](#)  and [Twitter](#) 