



BACKGROUND NOTE

Forum on Implementation of Measures to Counter Base Erosion and Profit Shifting (BEPS)

21 –22 May 2025
Budapest, Hungary

BACKGROUND

The main purpose of the Forum on Implementation of Measures to Counter Base Erosion and Profit Shifting (BEPS), hereafter 'IOTA Forum on BEPS' or 'Forum', is to share knowledge and experiences between IOTA member tax administrations to identify best practices in the way tax administrations operate upon the implementation of the BEPS Action Plan.

The IOTA Forum on BEPS also aims to create opportunities for its members to work collaboratively towards meeting the emerging challenges of implementing the BEPS measures. The Forum is an important platform for experts of IOTA member tax administrations to discuss and share strategies and practical applications of working methods and tools developed to effectively tackle BEPS.

OBJECTIVES

The main objectives of the Forum are:

- to facilitate sharing of experiences, good and bad practices in the field of countering BEPS;
- to build up and maintain a network of officials specialising in the practical implementation of the BEPS measures;
- to improve international cooperation with fellow tax administrations in countering BEPS;
- to develop practical guidance and approaches on specific aspects of BEPS Actions to help member tax administrations in the implementation of the BEPS measures;
- to create together new knowledge during the Forum's activities;
- to improve the efficiency and quality of tax officials' work in implementing the BEPS measures.

Within the scope of the Mandate for 2024 – 2025, and based on the consultations with the Steering Group members, this year's Forum meeting will focus on the following aspects of the BEPS Action Plan:

- **Pillar 2** – Sharing of experiences following the practical implementation of

the respective legislation, as well as challenges for the tax administrations

- **Country-by-Country Reporting (CbCR)** and linkage with GloBE Rules (use as a temporary Safe Harbour Rule, calculation of the Effective Tax Rate for the MNEs)
- **Mutual Agreement Procedure** – Issues raised during multilateral procedures (when various parties are involved), treatment of carry-forward losses and the postponed effective taxation, other issues affecting the tax dispute process
- **Business Restructurings** – Transfer of intangibles (following the exchange of information from another tax administration or a tax audit), post-restructuring considerations (remuneration, change of engaged companies' functional profile, location savings)
- **Software developed by the tax administration to facilitate the exchange of information** – our aim is to discuss over software that was created (either in-house or with outsourcing assistance), in order to facilitate and automate the processing of information exchanged with other tax administrations for various purposes (risk management, better-targeted desk/ physical audits, increase of revenues, joint audits).

EXPECTED OUTCOMES

As a result of attending this Forum, delegates will achieve a greater understanding and awareness of:

- ongoing work of OECD and IOTA members regarding the BEPS implementation process;
- current developments of Pillar 2 implementation and the challenges for tax administrations;
- potential parallels between CbCR and GloBE rules identified by tax administrations and how these can reduce administrative burden for the MNE's;
- BEPS Action 14 issues, challenges, and things that could facilitate and improve the timely resolution of tax disputes.
- countries' experiences on Tax and Transfer Pricing issues arising following a Business Restructuring;
- experiences on software created by tax administrations in order to successfully and timely process the large amount of information exchanged between tax administrations.

TARGET AUDIENCE

Participants are representatives from IOTA member tax administrations who are

responsible for and/or dealing with the practical implementation of BEPS measures.

Please note that it is not possible to provide any interpretation facilities at this event and IOTA expects that all participants will have sufficient language skills to discuss the subject **in English**.