



IOTA FORUM ON IMPLEMENTATION OF MEASURES TO COUNTER BEPS

RECENT DEVELOPMENTS IN INTERNATIONAL TAXATION

*21-22 May 2025
Budapest, Hungary*

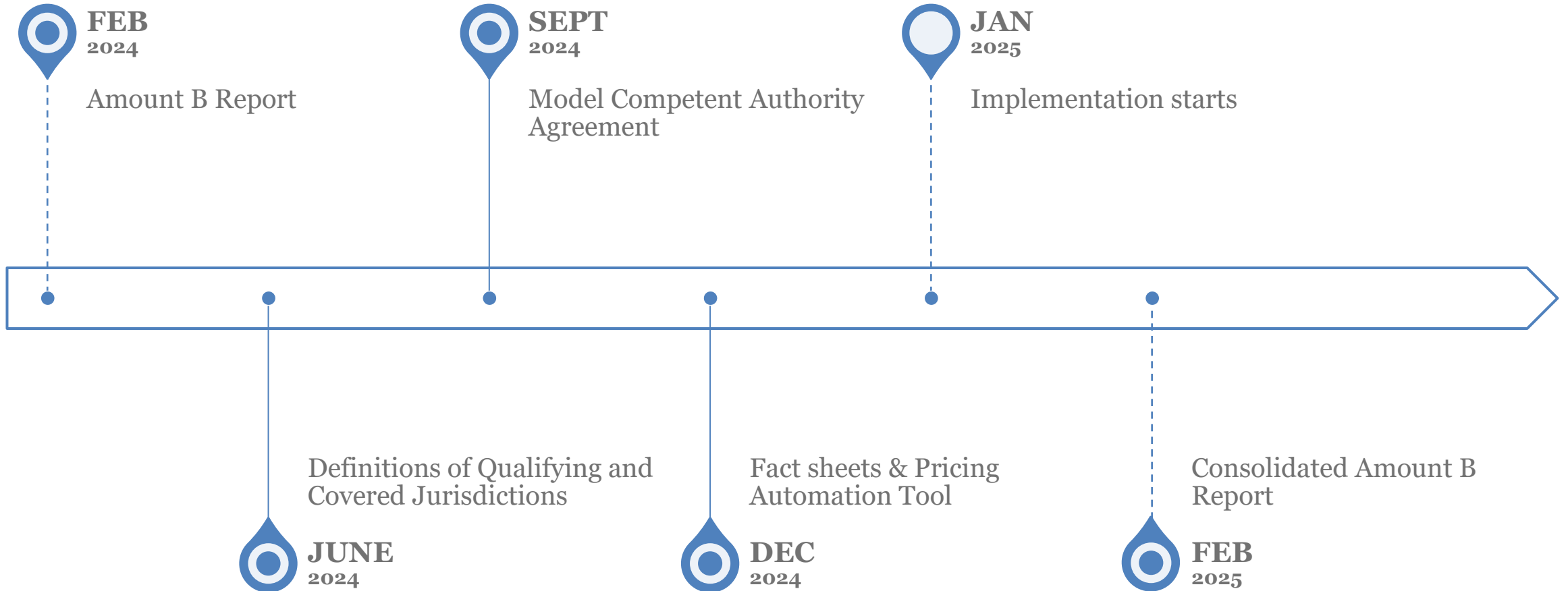


TWO-PILLAR SOLUTION IMPLEMENTATION STATUS



Amount B

Publications & Timeline





Amount B

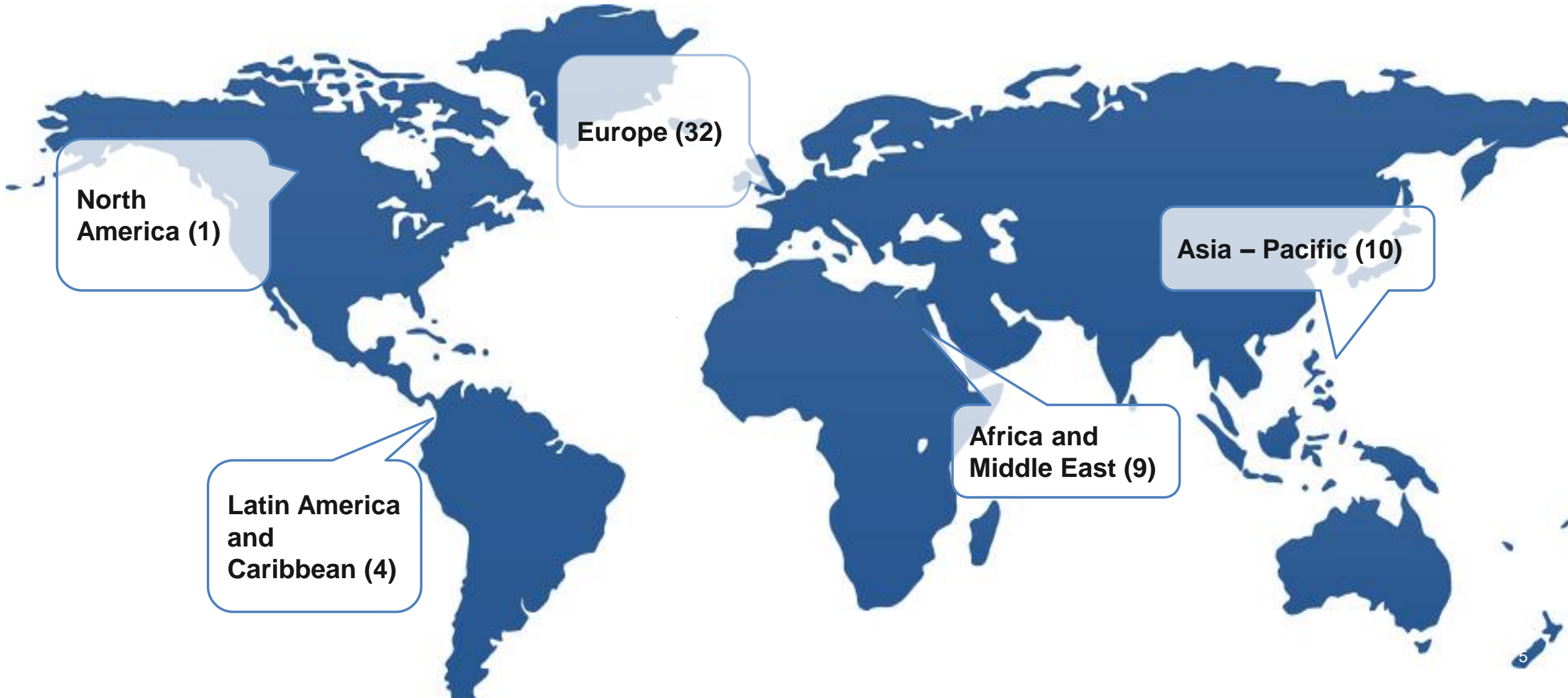
Current Status and Next Steps

- **The adoption of Amount B is still under consideration by many Inclusive Framework members** as they take time to undertake their impact assessments or complete domestic administrative and legislative procedures along with other competing fiscal priorities in 2025/2026;
- The OECD has been supporting jurisdictions in their considerations through technical webinars and training activities. Bespoke support from the Secretariat can also be provided to:
 - Consider the policy choices
 - Undertake impact assessments
 - Gather experiences from other jurisdictions
 - Draft legislation
- **The effectiveness of Amount B will be assessed following an initial review period** and further refinements can be made to enhance the framework in the future.



Implementation of the Global Minimum Tax

Jurisdictions with final or draft legislation for 2024/25





Global Minimum Tax

Publication of the central record and resources for implementing jurisdictions

- The [Central Record](#) sets out those jurisdictions whose minimum tax legislation has completed the process for the transitional qualification mechanism and will be considered as qualified for purposes of the rule order.
 - 29 jurisdictions have now completed the process for their IIR and 30 jurisdictions completed the process for their DMTT and QMDTT Safe Harbour
- [Implementation handbook](#):
- **Transitional Qualification mechanism**
 - [Transitional Qualification Mechanism for the IIR](#)
 - [Transitional Qualification Mechanism for the DMTT](#)
- [Informal Resources](#)
- [Questions and Answers on the Qualified Status under the Global Minimum Tax](#)



Global Minimum Tax

What's now and next?

Qualified status

- Transitional Qualification Mechanism
- Full legislative review
- Ongoing monitoring (benefits)

Administrative Guidance

- Permanent safe harbours
- Other simplifications

Administrative Framework / Amsterdam dialogue

- Co-operation among tax administrations
- Dispute resolution

Capacity building

- Assistance in drafting legislation
- Workshops



Subject to tax rule (STTR)

Second process to assist with implementation

- As part of the process to facilitate the implementation of the STTR, the Secretariat has been following up with IF members with a view to updating the documentation package.
- To this end, IF members are requested to report any changes to the domestic legislation or to the jurisdiction's tax treaty network, any requests made to other jurisdictions to include the STTR in a tax agreement, and whether the STTR has been implemented in any tax agreements.



BEPS MINIMUM STANDARDS – PROGRESS AND OPPORTUNITIES FOR BURDEN REDUCTION



ACTION 5: HARMFUL TAX PRACTICES



Progress in implementation of the standard



Review of preferential regimes: 330+ regimes have been reviewed with over 40% abolished or undergoing amendments to align with the standard.



Transparency framework for tax rulings: 100+ reviewed jurisdictions issue and exchange key tax rulings fully in line with the standard.



Substantial activities requirements in no or only nominal tax jurisdictions (NTJs): All no or only nominal tax jurisdictions have enacted legislation to meet the substantial activities requirements and are monitoring the effective implementation.



Way forward to maintain progress and reduce burdens

Revised methodology (1/2)

1. Review of preferential regimes

- A BEPS impact assessment would be conducted before proceeding with the legislative review of the regime.
- This would ensure that regimes with no significant BEPS risks will no longer undergo a full legislative review (unless explicitly requested) and concerned jurisdictions would no longer be required to make legislative amendments for such regimes to be found not harmful under BEPS Action 5.
- This is expected to significantly reduce the burdens of jurisdictions in complying with BEPS Action 5 and allows the FHTP to focus its efforts on those regimes that do matter for the global level playing field.



Way forward to maintain progress and reduce burdens

Revised methodology (2/2)

2. Monitoring of preferential regimes and NNTJs

- The annual monitoring exercises in relation to certain aspects of preferential regimes (e.g., third category of IP assets, rebuttable presumption) could be **discontinued**, given their limited impact identified in the monitoring rounds since the start of the BEPS project.
- For substantial activities in non-IP regimes and NTJs, the annual monitoring would be less frequent, i.e., once every **three years instead of the current annual process**.

3. Peer review of the transparency framework

- The peer review of the transparency framework would take place once every **three years, instead of the current annual process**.
- For those jurisdictions that have already established a comprehensive legal and administrative framework for identifying and exchanging rulings, the three-year peer review would be based on a **simplified questionnaire**.



ACTION 6: PREVENTION OF TAX TREATY ABUSE



Progress in implementation of the standard



Preventing tax treaty abuse: Today 1,600+ bilateral agreements between IF members comply with the standard, with the majority of these treaties brought into compliance through the BEPS MLI.



Peer review process: Streamlined over the years in light of widespread implementation. From 2024, the frequency of the comprehensive peer review has been reduced to once every 5 years (with targeted assistance in interim years).

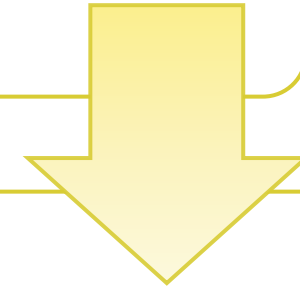


Current focus on technical assistance: Provided as needed on an ongoing basis, including to provide support to sign/ratify the BEPS MLI. IF members may also seek assistance at any time from the Secretariat or raise issues they may encounter with respect to the implementation of the Action 6 minimum standard.



Way forward to maintain progress and reduce burdens

The latest comprehensive peer review process was conducted in 2023. The next one is expected in 2028.



In the interim, in line with the methodology set out in 2024 Revised Peer Review Documents, targeted assistance is provided to IF members wherever needed on an ongoing basis.



ACTION 13: Country-by-Country Reporting



Progress in implementation of the standard



CbC reporting filing: 120+ IF members have enacted CbC legislation, covering nearly all large MNE groups



CbC exchange architecture: 4,100+ bilateral relationships facilitate exchanges among nearly 100 jurisdictions, allowing widespread use of CbC reports to assess risk.



Peer review process: Updated in 2020 – jurisdictions aligned with their initial legislative frameworks are subject only to a streamlined annual questionnaire, while those implementing new or revised CbC rules undergo a more detailed annual review.



Way forward to maintain progress and reduce burdens



Initiatives agreed at the Inclusive Framework meeting to enhance CbC reporting's value proposition by ensuring access of developing countries to CbC reporting information.



Deployment of a targeted approach to ensure all developing countries IF members can access CbC reports by their own intended timeframe through focused and bespoke support by both the IF and Global Forum Secretariats



Exploring the development of simple, low-cost IT solutions to facilitate access to and use of CbC reports



ACTION 14: MUTUAL AGREEMENT PROCEDURES



Progress in implementation of the standard



Resolving cross-border tax disputes: 500+ treaties have been modified to include effective MAP provisions, access to MAP is now available in most eligible cases, dedicated guidance is published by many jurisdictions and MAP agreements are often effectively implemented. Many jurisdictions closer to resolving MAP cases within an average of 24 months.



Peer review process: Revised in 2023 to introduce a two-track approach (full and simplified peer review processes) ensuring that jurisdictions are assessed in proportion to their level of experience with MAPs.

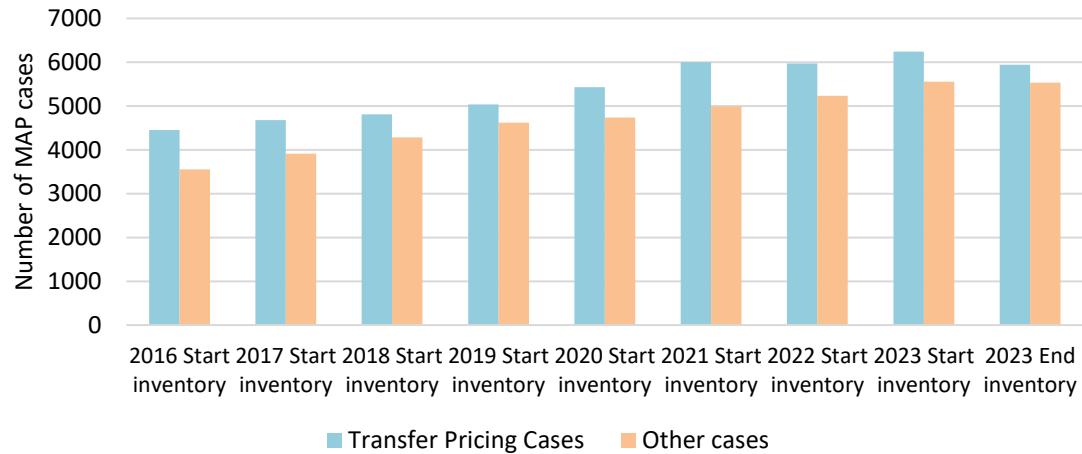


Current focus: Maintaining momentum for progress achieved in MAP and assisting countries new to MAP in developing their MAP function and improving procedures.

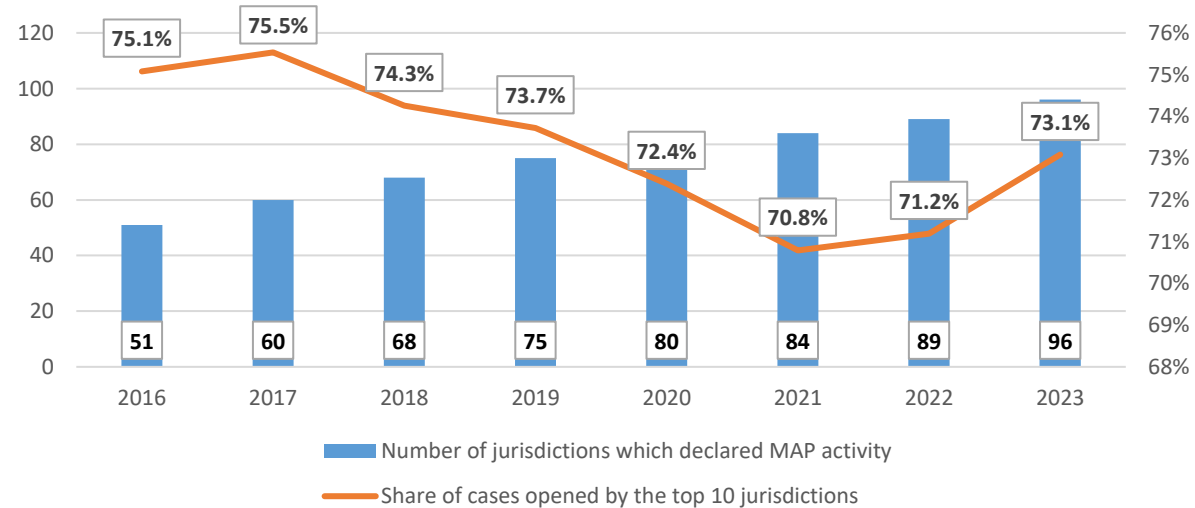
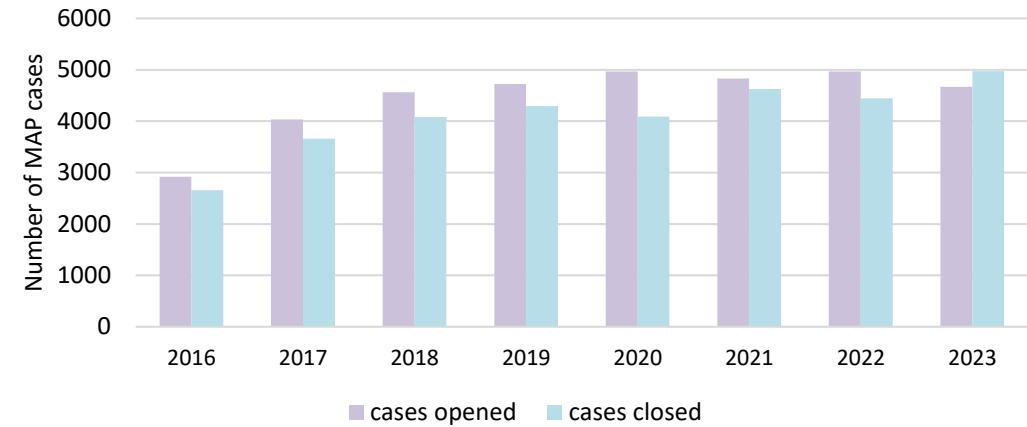


2016-23 MAP Statistics – Main Indicators

MAP inventory evolution*



Evolution of cases opened and closed MAP cases*





FUTURE PRIORITIES AND NEW AREAS OF WORK



Potential areas of future work

Update sessions

Involvement of experts

Roundtables



Workshops

Greater use of breakouts

Others

THANK YOU

For more information:

 Contact us by e-mail: ctp.contact@oecd.org

 Visit our public website: www.oecd.org/tax

 Sign-up to our tax news alerts: <http://oe.cd/taxnews-signup>