IOTA Intra-European Organisation of Tax Administrations | Federal Ministry Republic of Austria Finance | OECD BETTER POLICIES FOR BETTER LIVES

DAY 1

Regional Outreach Meeting on
International Tax Developments for Europe and Central Asia

SESSION 3
Country-by-Country reporting: IOTA Report, Outcomes of the pre-event short survey, Status of implementation by Tax Administrations (TAs)

Moderator
Mr. Alexandros Roukalis
International Taxation Expert, IOTA

13-15 October 2026
Vienna, Austria





Issuance of IOTA's report on CbC Reporting

Alexandros Roukalis
International Taxation Expert

2021 Report
“IMPLEMENTATION OF COUNTRY-BY-COUNTRY REPORTING INTO INTERNAL RULES AND PROCEDURES”

IOTA Project

Initial Report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

- The initial report was published on 24th February 2021
- It was based on data provided by 24 IOTA member tax administrations participating in a country survey conducted in October 2018. It was also based on data provided by IOTA member tax administrations participating in the 1st and 2nd meeting of the IOTA Forum on Implementation of Measures to Counter BEPS (Forum on BEPS), held in Bern and Budapest respectively, by 20 member countries, in October 2017 and December 2018.
- CbCR experience at that time was relatively new, since the first exchanges took place in June 2018, affecting FY 2016.
- The overall aim was to supplement the 2 OECD manuals:
  - ✓ Handbook on Effective Implementation of CbCR, issued on 27/9/2017 and
  - ✓ Handbook on Effective Tax Risk Assessment of CbCR, issued on 29/9/2017

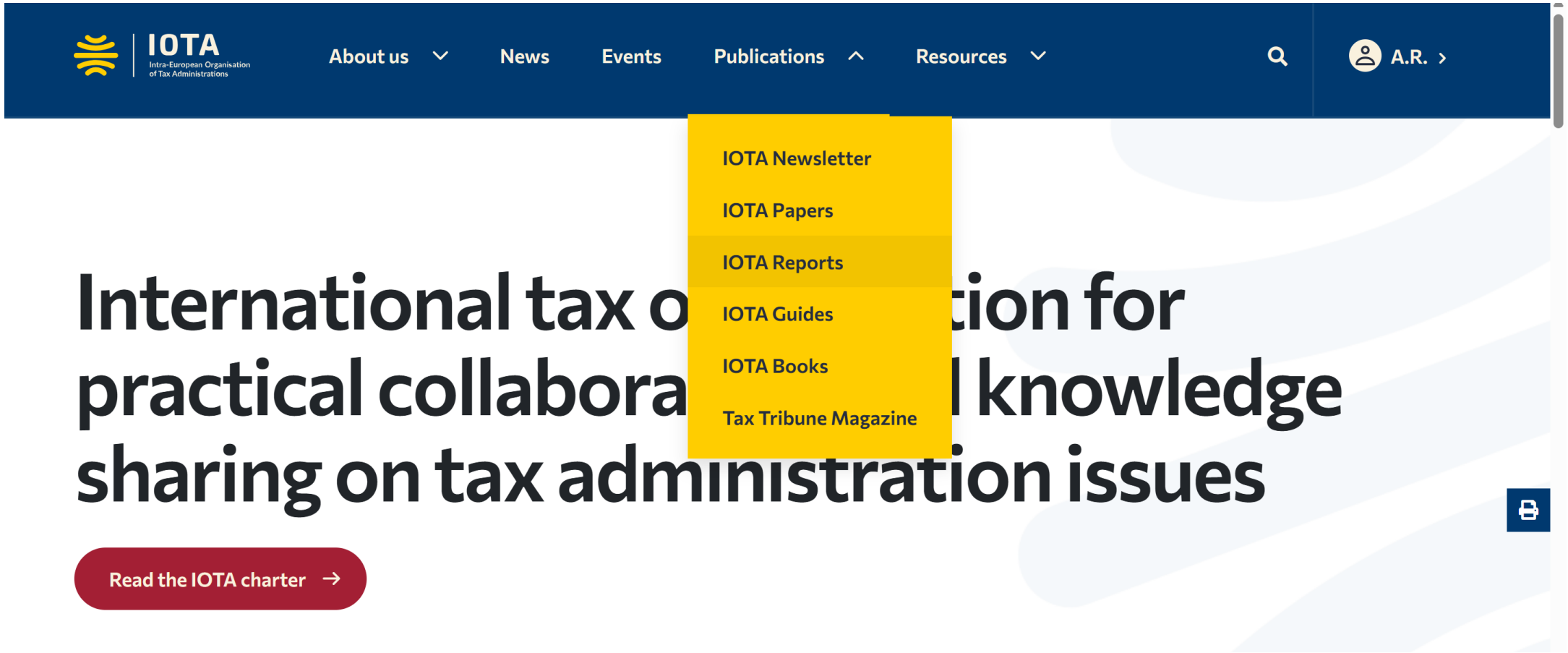
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Initial Report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

- **7 Subgroup members:** Austria, Belgium, Italy, Norway, Romania, Spain, and UK
- Several **Case Studies** were included, plus annexes with templates and a country's CBC viewing tool (UK)
- The report discussed the following aspects of CbC Reporting:
  - Process for Filing and Exchange of CbC Reports
  - Data Quality
  - Ensuring Confidentiality and Appropriate and Effective Use
  - CbC Risk Assessment

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Initial report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures



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Initial report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

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Intra-European Organisation of Tax Administrations

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IOTA Report Project on Communication and Nudging Techniques

Jan 2024



Effective Treatment Of Tax Rulings Subject to the Exchange Between Tax Administrations – A Review of Progress

Dec 2021



How to Detect, Prevent and Combat New VAT Fraud Schemes Facilitated by Digital Platforms Selling Goods

Mar 2021

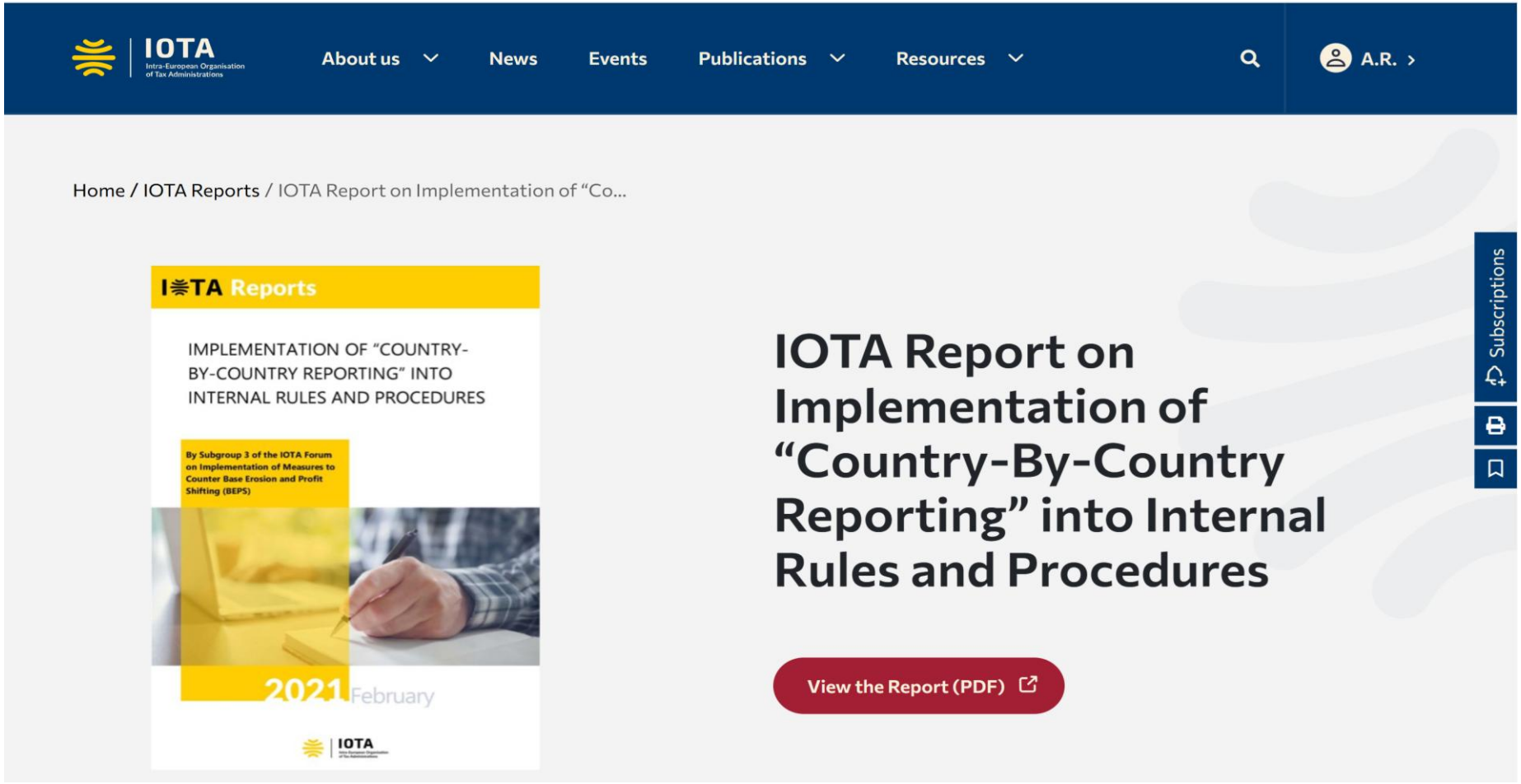


IOTA Report on Implementation of "Country-By-Country Reporting" into Internal Rules and Procedures

Feb 2021

IOTA Project

Initial report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures



*Only for registered IOTA Members

2026 Updated CbCR Report

IOTA Project

Updated Report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

Some initial statistics

- **7 Subgroup members:** Austria, Belgium, Finland, Greece, Hungary, Norway, and UK
- **24 digital meetings (7 on 2023, 5 on 2024, 11 on 2025, and 1 on 2026)** were held. **Roadmap, Action Plan, and Timetable** documents were initially finalised.
- A **Country survey with 35 questions on 8 topics** was sent to IOTA Members and feedback was received from 23 country members.
- **Finland, Greece, and Hungary** as new members, choose a topic of their preference, and presented their local tax administration's perspective on risk assessment process (for Greece and Hungary), and success stories for Finland.
- **The updated report** was released on 17th April 2026.

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Updated Report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

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

Subgroup 3: "Country-by-Country Reporting"

ACTION PLAN AND TIMETABLE
as of 08/11/2023

Action	Responsible	Target Deadline	Remarks
1. Setting up the Subgroup (call for expression of interest, final composition of subgroup)	IOTA Secretariat	10/06/2023	✓
2. Introductory meeting with the Sub-group members to welcome new members and plan the next steps, as well as the next formal kick-off meeting	IOTA Secretariat	11/07/2023	✓
3. Kick-off meeting of Subgroup (agreement on Roadmap, Action Plan and Timeline, nomination of Subgroup Coordinator) working methods, allocation of tasks, potential areas to be covered by the updated report version	IOTA Secretariat / Subgroup	07/09/2023	✓
4. Finalisation of the Roadmap, Action Plan and Timeline	IOTA Secretariat / Subgroup	15/09/2023	✓
5. Start drafting the questionnaire, digital meetings whenever deemed necessary for the review and finalization of the questionnaire. (Sending of questionnaire to IOTA Member Countries on 20/11/2023)	IOTA Secretariat / Subgroup	15/09/2023 - 17/11/2023	✓
6. Analyses of collected data from the online country survey on CbC Reporting, follow-up with surveyed countries if necessary, analysis of existing external sources of information (e.g. OECD reports, information from European Commission)	Subgroup	08/12/2023 – 02/02/2024	
7. Draft layout of Subgroup Updated Report to be sent to IOTA Secretariat for comments	Subgroup / IOTA Secretariat	16/02/2024	
8. First draft of Subgroup Updated Report to be sent to IOTA Secretariat and SG for comments (deadline for comments: 03/05/2024)	Subgroup	19/04/2024	
9. Review of the first draft of the Subgroup Updated Report, and incorporation of potential comments by Subgroup members; Revised Draft Subgroup Report to be sent to IOTA Secretariat and Steering Group	Subgroup	31/05/2024	
10. Finalisation of the Updated Draft Subgroup Report; Distribution for comments to IOTA member countries participating in the IOTA survey or whose country data have otherwise been used in the Report (deadline for country comments: 3 weeks = 24/06/2024)	Subgroup / IOTA Secretariat	03/06/2024	
11. Revision of the Updated Subgroup Report based on comments received from IOTA member countries; revised Draft Subgroup Report to be sent to IOTA Secretariat and SG for comments (deadline for comments 1 week: 01/07/2024)	Subgroup	24/06/2024	
12. Finalisation of the Report	Subgroup / IOTA Secretariat	15/07/2024	
13. Distribution of the final Report (via IOTA website) to IOTA member countries	IOTA Secretariat	22/07/2024	

IOTA Project

Updated Report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

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

Subgroup on the Implementation of "Country-by-Country Reporting" into Internal Rules and Procedures

ROADMAP

Target	The aim of the subgroup is to share experiences and explore approaches for: a) Incorporating CbC reporting mechanisms into internal rules and procedures b) Improving quality, consistency, and content of the CbCR information exchanged c) Ensuring appropriate and effective use of CbC Report information received, in particular for risk assessment purposes d) Sharing best practices and reflections with regard to issues and challenges arise from the handling and use of CbCR information
Planned Achievements	Report of examples of tax administrations' practices: a) Providing solutions on handling CbC Reports received from a resident ultimate parent company at an operational level b) Mapping out the process of automatic exchange of information on CbC Reports c) Promoting effective and appropriate use of the CbCR information received, in particular for tax risk assessment purposes
Content	On top of the previous report issued on 2/2021, some indicative topics identified by the sub-group members for inclusion in the updated report could be: • Data quality issues • Fines • CbCR and linkage to Pillar 2 • Under CbCR reporting and sanity checks performed • Access to CbC reports • Approaches of using CbCR data for risk assessment • Lessons learned • Linkage between reception of the CbC Report and actual usage by the Tax Auditors

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Updated Report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

Chapters: A second edition of the Report, focused on the following areas:

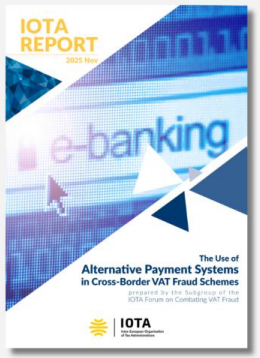
1) Under-reporting,
2) Data quality,
3) Notifications,
4) Fines,
5) Access to CBC reports,
6) Use of CbCR Data as a risk tool,
7) CbCR and linkage to Pillar 2, and
8) Success stories – lessons learnt.

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IOTA Report on Implementation of Country-By-Country Reporting into Internal Rules and Procedures

Apr 2026



Alternative Payment Systems in Cross-Border VAT Fraud Schemes

Nov 2025



Recovering of the Tax Debts from Assets that are Difficult to Recover

Oct 2025



Automation of Tax Debt Management Processes

Oct 2025

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Updated Report on the Implementation of Country-By-Country Reporting into Internal Rules and Procedures

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IOTA Report on Implementation of Country-By-Country Reporting into Internal Rules and Procedures

View the Report (PDF)

*Only for registered IOTA Members

Pre-event Survey

IOTA survey

10 questions (7 closed ones with multiple-choice options and 3 open ones) were sent

Closed Questions

1) How does your tax administration currently use Country-by-Country Reporting data?
2) What has been the main challenge for your tax administration in using CbCR effectively?
3) How effectively has your tax administration addressed these CbCR challenges?
4) What most often prevents a CbCR risk indicator from leading to a concrete compliance action?
5) Which CbCR data points are most useful for identifying international tax risks?
6) Which CbCR risk pattern would be most likely to trigger additional analysis in your administration?
7) What would most improve the use of CbCR data in cross-border cases?

IOTA survey

Open Questions

1) Are you beginning to use CbC reports to estimate the population of MNE groups that may be in scope of GMT in your jurisdiction? What do you see as the main limitations or challenges? Are you also using CbCR data for early GMT risk analysis, for example to spot low-tax jurisdictions or profit and substance misalignments?
2) Following the more structured and intense application of data analytics, and the use of AI, by many tax administrations, have you noticed any difference/improvement in the exploitation of CbCR exchanged data?
3) Looking ahead, what additional guidance or tools would help you make better use of exchanged CbCR data, for risk analysis purposes?

IOTA survey

Closed Questions

1) How does your tax administration currently use Country-by-Country Reporting data?

The most popular answers were: i) Identifying MNE groups for further risk assessment, ii) Detecting profit allocation and substance mismatches and iii) Supporting transfer pricing risk assessment

2) What has been the main challenge for your tax administration in using CbCR effectively?

i) Data quality and consistency, and ii) Difficulties matching CbCR data with domestic tax information, were the options chosen by most respondents

3) How effectively has your tax administration addressed these CbCR challenges?

i) Partially, and ii) Too early to assess, were the most frequent answers

IOTA survey

Closed Questions

4) What most often prevents a CbCR risk indicator from leading to a concrete compliance action?

The most frequent answers were: i) The indicator has several possible explanations, ii) Insufficient transaction-level detail, and iii) Insufficient information on functions, assets, and risks.

5) Which CbCR data points are most useful for identifying international tax risks?

Here the respondents select mainly: 1) Profit before tax by jurisdiction, ii) Changes in the allocation of profit between jurisdictions, and iii) Differences between profit allocation and economic substance

6) Which CbCR risk pattern would be most likely to trigger additional analysis in your administration?

The most frequent answers were: i) High profits combined with few employees, ii) High profits combined with limited tangible assets, and iii) Significant related-party revenue in a low-tax jurisdiction

IOTA survey

Closed Questions

7) What would most improve the use of CbCR data in cross-border cases?

The most frequent answers were: i) More timely exchange of CbC reports, ii) Common risk indicators and scoring methodologies, iii) Joint risk assessments, and iv) Simultaneous or joint audits

Open questions

1) **Are you beginning to use CbC reports to estimate the population of MNE groups that may be in scope of GMT in your jurisdiction? What do you see as the main limitations or challenges? Are you also using CbCR data for early GMT risk analysis, for example to spot low-tax jurisdictions or profit and substance misalignments?**

Either No/ or Yes, with precaution due to different set up scope.

IOTA survey

Open questions

2) **Following the more structured and intense application of data analytics, and the use of AI, by many tax administrations, have you noticed any difference/improvement in the exploitation of CbCR exchanged data?**

The overall feedback was that no difference was noted, at least so far.

3) **Looking ahead, what additional guidance or tools would help you make better use of exchanged CbCR data, for risk analysis purposes?**

As a general comment, OECD Treat is helpful; non-aggregated data in Table 1, and maybe a tool not just to analyse one group but to compare groups