

**Brussels, 14 May 2018**

### **OECD Consultation on Revising Transfer Pricing Guidelines**

The OECD has [invited public comments](#) on two projects being considered for implementation that would revise certain chapters of the OECD Transfer Pricing Guidelines. Comments have been invited concerning the following proposed revisions to the guidelines:

1. [Revisions to Chapter IV](#) – “Administrative Approaches to Avoiding and Resolving Transfer Pricing Disputes”, in particular concerning practices and mechanisms to prevent and resolve transfer pricing disputes, increase tax certainty and prevent double taxation; and
2. [Revisions to Chapter VII](#) – “Special Considerations for Intra-Group Services”, in particular its practical application and how the guidance could be revised or supplemented in the context of intra-group services to correct practical application issues being experienced.

Comments have been requested by 20 June 2018.

### **Tax Intermediaries Directive (Mandatory Disclosure Rules) DAC6**

The Council of the European Union has confirmed that the legal-linguistic revision has been finalised before publication and final approval of the [Proposal for a Council Directive amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation the reportable cross-border arrangements](#). Political agreement was reached at the 13 March ECOFIN Council meeting on the directive, and since then the directive has been translated into EU official languages ready for sign-off.

Member States will have until 31 December 2019 to implement the directive into national legislation, and disclosure requirements will apply from 1 July 2020. Intermediaries who design and/or promote reportable tax planning schemes will be required to disclose them to their national tax administrations, who will then automatically exchange the information with other Member States through a centralised database. Penalties will be imposed on intermediaries who do not comply with the new reporting measures. The initial automatic exchange of information between member states should take place on 31 October 2020.

### **Switzerland Exchanges Tax Rulings with Other Nations**

On May 8, the Federal Tax Administration (FTA) of Switzerland announced it had transmitted information concerning the tax rulings of private taxpayers in compliance with exchange of information obligations arising from legislation introduced following Switzerland ratifying the OECD/Council of Europe Convention on Mutual Administrative Assistance in Tax Matters.

The FTA stated it transmitted 82 reports to 41 countries concerning tax rulings of individuals that were still effective as of 1 January 2018, including to the EU Members States of France, Germany, the United Kingdom and the Netherlands.

Additionally, on 9 May, Switzerland's Federal Council requested that its Parliament authorise the ratification of agreements concerning the automatic exchange of financial account information with Singapore and Hong Kong. The Council also proposed implementing an automatic exchange of financial account information with Singapore, Hong Kong and other financial centres on the basis of the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information (MCAA), to take effect from 2020.

### **Saint Lucia Joins OECD Inclusive Framework**

Saint Lucia has now become the 114<sup>th</sup> country to join the OECD's Inclusive Framework of minimum standards devised by the OECD and G20 countries as part of the 2015 Base Erosion Profit Shifting Plan (BEPS). Saint Lucia has now committed to implement a country-by-country reporting scheme concerning multinational corporations, as part of the OECD efforts to address tax avoidance.

Joining the OECD Inclusive Framework also indicates compliance with conditions set by the European Commission in order for Saint Lucia to be delisted from the EU's list of non-cooperative jurisdictions in taxation matters aimed at promoting tax good governance and minimising tax avoidance. Following an assessment of commitments made to remedy the EU concerns, the ECOFIN Council at the March meeting removed Bahrain, the Marshall Islands and Saint Lucia from the "blacklist".

### **Ireland Updates Mandatory Exchange of Information Rules**

On 7 May, Ireland updated its guidance concerning information required to be exchanged with other EU Member States concerning private cross-border rulings and advanced pricing agreements with multinationals, in line with EU Council Directive 2011/16 requiring that member states set up an automatic exchange of information concerning cross-border tax rulings, which must also be shared with the Commission.

The guidance also sets out what information is required to be exchanged and the notifications that must be provided to taxpayers concerning the exchange.

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

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