

**IOTA FORUM ON IMPLEMENTATION OF MEASURES  
TO COUNTER BASE EROSION AND PROFIT SHIFTING (BEPS)**

# **RECENT INTERNATIONAL TAX DEVELOPMENTS**

**20-21 MAY 2026 – VIRTUAL EVENT**



# GLOBAL MINIMUM TAX



# Rationale and objectives – Global Minimum Tax

## Minimum Taxation

- Large businesses operating internationally

## Reduces incentive for profit shifting

- Focused on profit shifting risk from highly mobile income (e.g. from intangibles with limited substantive investment)
- Limits tax competition based on low effective tax rates

## Multilateral solution

- Ensure consistent and co-ordinated rules
- Reduce administration cost
- Common approach



# Minimum tax rules

## *Facts and figures*

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**15% ETR**

Puts a floor under tax competition - neither against tax competition nor tax incentives

**750 million EUR revenue**

Consolidated annual revenue - large MNEs only

**60 + countries**

Implementing as of 2024 or 2025

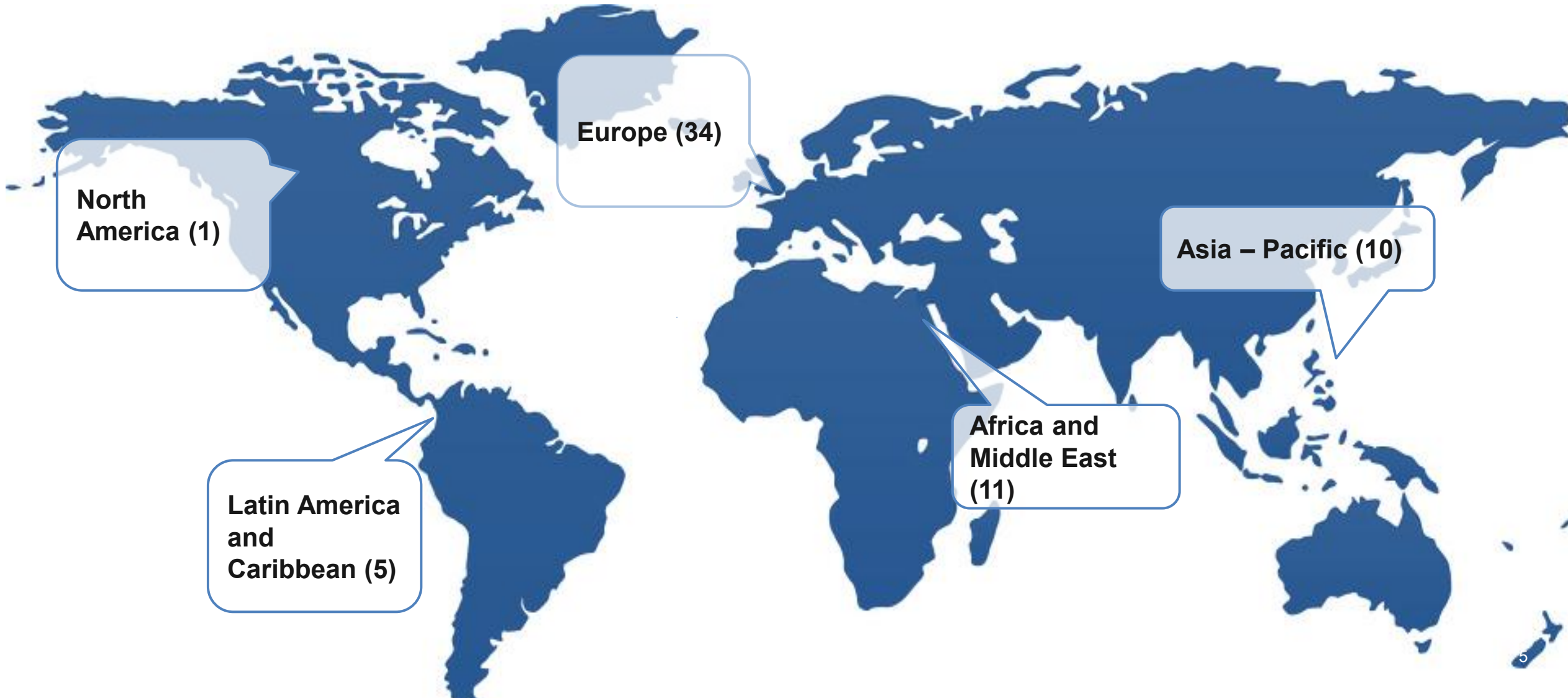
**15 + countries**

Intend to implement or are considering implementation



# Implementation of the global minimum tax

## *Jurisdictions with final or draft legislation*



North  
America (1)

Europe (34)

Asia – Pacific (10)

Africa and  
Middle East  
(11)

Latin America  
and  
Caribbean (5)



# RECENT RELEASE



# Overview of the Side-by-Side Package

The Inclusive Framework, which now includes 148 members, **agreed by consensus a package of measures** relating to the Global Minimum Tax on 5 January 2026.



Political context



Side-by-Side system



Material  
simplifications



Greater alignment of  
substance-based tax  
incentives with QRTCs



# SIDE-BY-SIDE SYSTEM



# Side-by-Side system

## Overview

### Side-by-Side Safe Harbour and UPE Safe Harbour

- GMT should be primary system to ensure minimum taxation
- However, it is recognised that certain jurisdictions already have tax regimes with similar policy objectives and that deliver similar outcomes. Therefore, simplifications are provided that will reduce instances where MNEs are subject to multiple systems.

### New safe harbours do not affect QDMTTs

- QDMTT will continue to apply to all MNEs (including those eligible for the SbS or UPE Safe harbours).
- QDMTTs will continue to be calculated without the pushdown of taxes imposed on a controlled foreign company or a branch by another jurisdiction.

### SbS Package includes a stocktake

- IF commitment to address level playing field and BEPS risks as part of the package.
- IF will carry out a stocktake of the SbS package to be concluded by 2029



# Side-by-Side system

## Overview

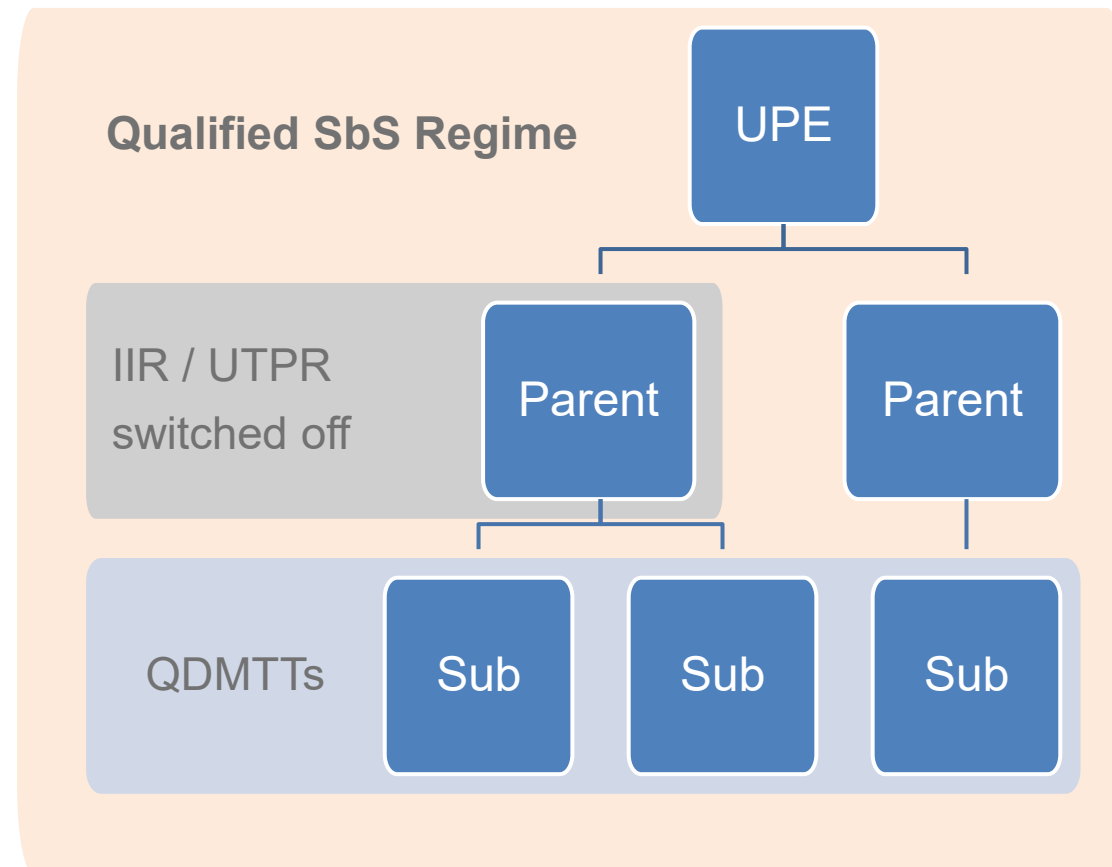
### Side-by-Side Safe Harbour

- Recognises special status of pre-existing minimum tax regimes
- Eligibility criteria
- QDMTTs remain unaffected and are credited under Qualified SbS regime
- United States listed on the Central Record as having a Qualified SbS Regime

### UPE Safe Harbour

- Eligibility criteria relating to domestic tax system
- Limited to application of UTPR in respect of the UPE jurisdiction
- Eligibility to be determined by the Inclusive Framework

Applicable as of 2026





# MATERIAL SIMPLIFICATIONS



# Material simplifications

## 1. Simplified ETR Safe Harbour

- Simplified calculation of income and taxes
- Test whether simplified ETR is at least 15% on a jurisdictional basis, focuses on using available information
- Applicable as of 2027 (possible as from 2026 when no coordination issues arise)
- Re-entry (after a taxpayer drops out in a particular year) possible

## 2. Extension of the Transitional CbCR Safe Harbour

- One-year extension of the transitional CbCR Safe Harbour
- No changes, same rate (17%)



# 1. Simplified ETR Safe Harbour

## Overview

### Simplified ETR test is met if:

- $\frac{\text{Simplified Taxes}}{\text{Simplified Income}} \geq 15\%$ , or
- Simplified Loss

### Applicability date

- Starting from Fiscal Year 2027 (or 2026, if no coordination issues apply)
- No “once-out always out” rule, but simple re-entry rule, in case taxpayer drops out in a particular year



## 2. Extension of Transitional CbCR Safe Harbour

### Transition period

- FY 2024
- FY 2025
- FY 2026
- **1 year extension to FY 2027 → 17% rate**

“Once out always out” rule



# NEXT STEPS



# Side-by-Side system

## Stocktake to be concluded by 2029

- Ongoing commitment to address risks to the level playing field or BEPS
- Conclusions to be based on evidence of emerging risks
- Commitment to take action, including targeted action, where necessary

## Reinforcing effectiveness of QDMTTs

- QDMTTs unaffected by SbS system
- Conditional taxes not recognised as covered taxes
- Integrity measures
- Further simplifications for administrations and MNEs applying QDMTTs to be explored



# Recent developments

30 April 2026

FAQs on GMT updated with side-by-side package ([link](#))

Global Minimum Tax Implementation Toolkit for tax administrations ([link](#))

18 May 2026

Common understanding of jurisdictions implementing the Global Minimum Tax in 2024 ([link](#))

Updates to the Central Record for Purposes of the Global Minimum Tax ([link](#)) - currently includes 44 IIRs, 50 DMTTs and 1 Qualified SbS regime

Administrative guidance on the application of the Transitional UTPR Safe Harbour ([link](#))



**AMOUNT B**



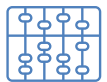
# Amount B

## Inclusive Framework Mandate

*“The application of the arm’s length principle to in-country baseline marketing and distribution activities will be simplified and streamlined, with a particular focus on the needs of low-capacity countries.”*



[Amount B guidance](#) was **approved and published** by the Inclusive Framework (140+ members) on 19 February 2024 and **incorporated into the OECD Transfer Pricing Guidelines**



A **pricing matrix** is established to price **in-scope baseline marketing and distribution transactions with adjustments in specific cases.**



Available to jurisdictions as an **optional framework from January 2025**, coupled with binding IF political commitment for covered jurisdictions.



# Overview of Amount B

## Scope applies to wholesale distributors

- Including buy/sell entities, commissionaires, sales agents
- Should not own unique and valuable intangibles nor assume economically significant risks
- Segmentation and de minimis retail sales permitted
- Excludes distribution of services, commodities & digital goods
- OPEX/sales quantitative filter

## Priced using a pricing matrix

- Takes account of industry, operating asset intensity (OAS) and operating expense intensity (OES)
- Pricing is adjusted in cases of very low & high functionality
- Includes a geographic adjustment mechanism to address specific country risk differences

## Implementation

- Amount B is now incorporated into OECD TPG as an optional approach
- Adopting jurisdictions can choose to apply Amount B as a rule or taxpayer safe harbour
- While non-binding on counterparty jurisdictions, specific measures & guidance provide tax certainty



# Amount B

## Political Commitment & Adjustment Features

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### IF Political Commitment applicable to Covered Jurisdictions

- The purpose of the political commitment is to deliver tax certainty for both Business and Tax Administrations
- Paragraph 4 of Introduction on Amount B states:
  - Subject to their domestic legislations and administrative practices, **Members of the Inclusive Framework commit to respect the outcome determined under the simplified and streamlined approach to in-scope transactions where such approach is applied by a low-capacity jurisdiction (“covered jurisdiction”)**
- The outcome under Amount B becomes binding in the counter-party (supplier) jurisdiction when Amount B is applied by a Covered Jurisdiction to their in-country in-scope distributors ([link](#))

### Adjustments features

- The pricing framework under Amount B includes two additional adjustments that may benefit low-capacity jurisdictions and which, in some instances, would imply a higher return under Amount B: the operating expense cross-check and the data availability mechanism ([link](#)).



# List of Covered Jurisdictions for the Inclusive Framework political commitment on Amount B – June 2024

- Albania
- Angola
- Argentina
- Armenia
- Azerbaijan
- Belarus
- Belize
- Benin
- Bosnia and Herzegovina
- Botswana
- Brazil
- Burkina Faso
- Cabo Verde
- Cameroon
- Congo
- Costa Rica
- Côte d'Ivoire
- Democratic Republic of the Congo
- Djibouti
- Dominica
- Dominican Republic
- Egypt
- Eswatini
- Fiji
- Gabon
- Georgia
- Grenada
- Haiti
- Honduras
- Jamaica
- Jordan
- Kazakhstan
- Kenya
- Liberia
- Malaysia
- Maldives
- Mauritania
- Mauritius
- Mexico
- Moldova
- Mongolia
- Montenegro
- Morocco
- Namibia
- Nigeria
- North Macedonia
- Pakistan
- Papua New Guinea
- Paraguay
- Peru
- Philippines
- Saint Lucia
- Saint Vincent and the Grenadines
- Samoa
- Senegal
- Serbia
- Sierra Leone
- South Africa
- Sri Lanka
- Thailand
- Togo
- Tunisia
- Ukraine
- Uzbekistan
- Viet Nam
- Zambia



# Qualifying jurisdictions for 5.2 Opex

## Cross-check

<ul style="list-style-type: none"><li>• Afghanistan</li><li>• Albania</li><li>• Algeria</li><li>• Angola</li><li>• Argentina</li><li>• Armenia</li><li>• Azerbaijan</li><li>• Bangladesh</li><li>• Belarus</li><li>• Belize</li><li>• Benin</li><li>• Bhutan</li><li>• Bolivia</li><li>• Bosnia and Herzegovina</li><li>• Botswana</li><li>• Brazil</li><li>• Bulgaria</li><li>• Burkina Faso</li><li>• Burundi</li><li>• Cabo Verde</li><li>• Cambodia</li><li>• Cameroon</li></ul>	<ul style="list-style-type: none"><li>• Central African Republic</li><li>• Chad</li><li>• China</li><li>• Colombia</li><li>• Comoros</li><li>• Congo</li><li>• Costa Rica</li><li>• Côte d'Ivoire</li><li>• Cuba</li><li>• DR Congo</li><li>• Djibouti</li><li>• Dominica</li><li>• Dominican Republic</li><li>• Ecuador</li><li>• Egypt</li><li>• El Salvador</li><li>• Equatorial Guinea</li><li>• Eritrea</li><li>• Eswatini</li><li>• Ethiopia</li><li>• Fiji</li><li>• Gabon</li></ul>	<ul style="list-style-type: none"><li>• Gambia</li><li>• Georgia</li><li>• Ghana</li><li>• Grenada</li><li>• Guatemala</li><li>• Guinea</li><li>• Guinea-Bissau</li><li>• Haiti</li><li>• Honduras</li><li>• India</li><li>• Indonesia</li><li>• Iraq</li><li>• Jamaica</li><li>• Jordan</li><li>• Kazakhstan</li><li>• Kenya</li><li>• Kiribati</li><li>• Kosovo</li><li>• Kyrgyzstan</li><li>• Lao PDR</li><li>• Lebanon</li><li>• Lesotho</li><li>• Liberia</li></ul>	<ul style="list-style-type: none"><li>• Libya</li><li>• Madagascar</li><li>• Malawi</li><li>• Malaysia</li><li>• Maldives</li><li>• Mali</li><li>• Marshall Islands</li><li>• Mauritania</li><li>• Mauritius</li><li>• Mexico</li><li>• Micronesia</li><li>• Moldova</li><li>• Mongolia</li><li>• Montenegro</li><li>• Morocco</li><li>• Mozambique</li><li>• Myanmar</li><li>• Namibia</li><li>• Nepal</li><li>• Nicaragua</li><li>• Niger</li><li>• Nigeria</li><li>• North Macedonia</li></ul>	<ul style="list-style-type: none"><li>• Pakistan</li><li>• Palau</li><li>• Papua New Guinea</li><li>• Paraguay</li><li>• Peru</li><li>• Philippines</li><li>• Rwanda</li><li>• Saint Lucia</li><li>• Saint Vincent and the Grenadines</li><li>• Samoa</li><li>• Sao Tome and Principe</li><li>• Senegal</li><li>• Serbia</li><li>• Sierra Leone</li><li>• Solomon Islands</li><li>• Somalia</li><li>• South Africa</li><li>• South Sudan</li><li>• Sri Lanka</li><li>• Sudan</li><li>• Suriname</li></ul>	<ul style="list-style-type: none"><li>• Syrian Arab Republic</li><li>• Tajikistan</li><li>• Tanzania</li><li>• Thailand</li><li>• Timor-Leste</li><li>• Togo</li><li>• Tonga</li><li>• Tunisia</li><li>• Türkiye</li><li>• Turkmenistan</li><li>• Tuvalu</li><li>• Uganda</li><li>• Ukraine</li><li>• Uzbekistan</li><li>• Vanuatu</li><li>• Venezuela</li><li>• Viet Nam</li><li>• West Bank and Gaza Strip</li><li>• Yemen</li><li>• Zambia</li><li>• Zimbabwe</li></ul>
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# Qualifying jurisdictions for 5.3 Data availability mechanism

<ul style="list-style-type: none"><li>• Afghanistan</li><li>• Albania</li><li>• Algeria</li><li>• Andorra</li><li>• Angola</li><li>• Argentina</li><li>• Armenia</li><li>• Azerbaijan</li><li>• Bahrain</li><li>• Bangladesh</li><li>• Barbados</li><li>• Belarus</li><li>• Belize</li><li>• Benin</li><li>• Bhutan</li><li>• Bolivia</li><li>• Botswana</li><li>• Brazil</li><li>• Burkina Faso</li><li>• Burundi</li><li>• Cabo Verde</li><li>• Cambodia</li><li>• Cameroon</li></ul>	<ul style="list-style-type: none"><li>• Central African Republic</li><li>• Chad</li><li>• Comoros</li><li>• Congo</li><li>• Cook Islands</li><li>• Costa Rica</li><li>• Côte d'Ivoire</li><li>• Cuba</li><li>• Curaçao</li><li>• DR Congo</li><li>• Djibouti</li><li>• Dominica</li><li>• Dominican Republic</li><li>• Ecuador</li><li>• Egypt</li><li>• El Salvador</li><li>• Equatorial Guinea</li><li>• Eritrea</li><li>• Eswatini</li><li>• Ethiopia</li><li>• Fiji</li><li>• Gabon</li></ul>	<ul style="list-style-type: none"><li>• Gambia</li><li>• Georgia</li><li>• Ghana</li><li>• Grenada</li><li>• Guatemala</li><li>• Guinea</li><li>• Guinea-Bissau</li><li>• Haiti</li><li>• Honduras</li><li>• Indonesia</li><li>• Iraq</li><li>• Jamaica</li><li>• Jordan</li><li>• Kazakhstan</li><li>• Kenya</li><li>• Kiribati</li><li>• Kosovo</li><li>• Kyrgyzstan</li><li>• Lao PDR</li><li>• Lebanon</li><li>• Lesotho</li><li>• Liberia</li><li>• Libya</li></ul>	<ul style="list-style-type: none"><li>• Madagascar</li><li>• Malawi</li><li>• Malaysia</li><li>• Maldives</li><li>• Mali</li><li>• Marshall Islands</li><li>• Mauritania</li><li>• Mauritius</li><li>• Mexico</li><li>• Micronesia</li><li>• Moldova</li><li>• Mongolia</li><li>• Montenegro</li><li>• Morocco</li><li>• Mozambique</li><li>• Myanmar</li><li>• Namibia</li><li>• Nepal</li><li>• Nicaragua</li><li>• Niger</li><li>• Nigeria</li><li>• North Macedonia</li></ul>	<ul style="list-style-type: none"><li>• Oman</li><li>• Pakistan</li><li>• Palau</li><li>• Panama</li><li>• Papua New Guinea</li><li>• Paraguay</li><li>• Peru</li><li>• Philippines</li><li>• Rwanda</li><li>• Saint Lucia</li><li>• Saint Vincent and the Grenadines</li><li>• Samoa</li><li>• San Marino</li><li>• Sao Tome &amp; Principe</li><li>• Senegal</li><li>• Seychelles</li><li>• Sierra Leone</li><li>• Solomon Islands</li><li>• Somalia</li><li>• South Africa</li><li>• South Sudan</li></ul>	<ul style="list-style-type: none"><li>• Sri Lanka</li><li>• Sudan</li><li>• Suriname</li><li>• Syrian Arab Republic</li><li>• Tajikistan</li><li>• Tanzania</li><li>• Timor-Leste</li><li>• Togo</li><li>• Tonga</li><li>• Trinidad and Tobago</li><li>• Tunisia</li><li>• Turkmenistan</li><li>• Turks &amp; Caicos Is</li><li>• Tuvalu</li><li>• Uganda</li><li>• Uruguay</li><li>• Uzbekistan</li><li>• Vanuatu</li><li>• Venezuela</li><li>• West Bank and Gaza Strip</li><li>• Yemen</li><li>• Zambia</li><li>• Zimbabwe</li></ul>
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# Resources available and ongoing support

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- **Resources available on Amount B**
  - Pricing automation tool (updated February 2026) ([link](#))
  - Pricing FAQs (published February 2026) ([link](#))
  - Consolidated report ([link](#))
  - Model Competent Authority Agreement on the Application of the Simplified and Streamlined Approach ([link](#))
  - Fact Sheets on Amount B ([link](#))
- **Technical webinars** (including in cooperation with ATAF)
- **Training activities**
- **Bespoken support from the Secretariat in**
  - Considering the policy choices
  - Undertaking impact assessments
  - Garnering experiences from other jurisdictions
  - Drafting legislation

# THANK YOU

For more information:

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