

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

### *Background*

The Forum is an important platform for experts of IOTA member tax administrations to discuss strategies and practical application of working methods and tools developed to effectively tackle base erosion and profit shifting. The Forum will hold one meeting every year building up a network of officials specialising in BEPS which facilitate discussions among participating tax administrations on new and innovative working methods of detection and prevention of specifically tax fraud.

The Forum will meet once per year based on an agenda items defined by a Steering Group made up from members of the Forum. Activity framework of the Forum will defined in the Mandate for 2017-2018 outlining priority areas and topics of interest, including specific task team (project group) work.

### *Objectives*

The IOTA Forum on Implementation of measures to counter Base Erosion Profit Shifting (BEPS) will deal with the fundamental impact of the Action Plan on BEPS in international tax law and the practice for the way tax administrations operate. Also, it will seek to share up-to-date practical information and challenging experiences between IOTA member tax administrations to exchange best practices, further contribute to combat aggressive tax avoidance and tax planning, and to build up a network of BEPS specialists. The Forum will focus on priority BEPS implementation issues, which include, but are not be limited to:

- › Hybrid Mismatch Arrangements: How to Detect and Control from Tax Administration Perspective? (The relevance of the topic is particularly linked to BEPS Action 2 and 4)
- › Methods of Corporate Tax Avoidance and Anti-avoidance rules
- › Preventing the granting of Treaty benefits in inappropriate circumstances
- › Transfer Pricing (TP) compliance issues and re-examine TP documentation
- › Enhancing transparency between the tax administrations and discuss Action 13 'Country-by-Country Reporting' difficulties (TP assessments and examinations)
- › Cross-border cooperation between EU and non-EU countries to counter harmful tax practices, taking into account exchange of information (transparency and substance)
- › Issues ascending in the digital economy and to enhance tax administrations' competent.
- › Risk assessment and emphasise limited tax administration resources to tackle BEPS.

### *Expected Outcomes*

Through exchange of experiences on implementation of BEPS actions, tax administrations of IOTA will gain a greater understanding of how other members of IOTA are developing innovative techniques to protect against significant erosion of the tax base and aggressive tax planning.

IOTA members participating in the Forum will gain a better understanding of the challenges posed by globalisation and erosion of the tax base they face.

It will allow them to work more strategically with risk-based approach and to apply responses grounded on experience and competence.

Discussions should be developed on how we can establish a more focused cooperative dialogue within IOTA Tax Administrations to develop those new techniques to identify and combat base erosion and profit shifting.

### *Target Group*

Senior tax officials (advisors, auditors, inspectors etc.) with wide range of experience in dealing with large taxpayers and tackling complex tax fraud.

### *Level of Complexity*

Intermediate