

Inclusive Framework on BEPS

A global answer to a global issue

July 2018

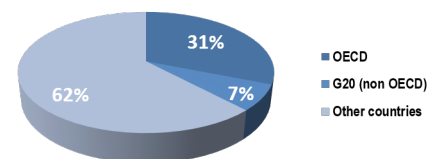
BEPS in a nutshell

- Domestic tax **base erosion and profit shifting (BEPS)** due to multinational enterprises exploiting gaps and mismatches between different countries' tax systems affects all countries. Developing countries' higher reliance on corporate income tax means they suffer from BEPS disproportionately.
- Business operates internationally, so **governments must act together** to tackle BEPS and restore trust in domestic and international tax systems. BEPS practices cost countries 100-240 billion USD in lost revenue annually, which is the equivalent to 4-10% of the global corporate income tax revenue.
- Working together in the OECD/G20 BEPS Project, over 60 countries jointly delivered 15 Actions to **tackle tax avoidance, improve the coherence of international tax rules and ensure a more transparent tax environment.**

What is the Inclusive Framework (IF) on BEPS?

- Following the release of the BEPS package in October 2015, G20 Leaders urged its **timely implementation** and called on the OECD to develop a more inclusive framework with the involvement of interested non-G20 countries and jurisdictions, including developing economies.
- The OECD established the IF on BEPS in June 2016 so that all interested countries and jurisdictions can work together. Over 115 countries and jurisdictions¹ have already joined on an **equal footing** in developing standards on BEPS-related issues and reviewing and monitoring its consistent implementation.
- To become a member, a country or jurisdiction needs to **commit to the BEPS package** and pay an annual membership fee² of 20 000 EUR.

Over 115 members of the Inclusive Framework



1. www.oecd.org/tax/beps/inclusive-framework-on-beps-composition.pdf

2. Subject to annual adjustments for inflation.

Why join the IF?

- Implementing measures protects your tax base, such as the development of provisions to avoid treaty abuse and to introduce Country-by-Country Reporting, for which the BEPS Package provides minimum standards.
- Having an equal voice in the development of standard setting and BEPS implementation monitoring.
- Access to capacity building support including guidance on developing Action Plans for BEPS implementation.
- Being part of a wider community of exchanges of practice and sharing experiences with other countries.

All interested countries and jurisdictions can participate on an equal footing to tackle BEPS.

Further information

- The technical working groups of the IF on BEPS are welcoming all new Members on all BEPS-related discussions.
- The Multilateral Instrument enables the implementation of tax treaty-related BEPS measures. Open to signature by all interested jurisdictions, the second signing ceremony took place in January 2018. To date, 83 jurisdictions have signed the multilateral instrument, which will modify over 1400 tax treaties. The instrument entered into force on 1 July 2018 among the first jurisdictions that ratified it.
- The next plenary meeting of the IF will be held in January 2019 in Paris, France.
- Questions and expressions of interest are welcome, and should be directed to CTP.BEPS@oecd.org.

STEERING GROUP MEMBERS

Argentina	Germany	Senegal
Belgium	India	Singapore
Brazil	Italy	South Africa
Canada	Jamaica	Spain
China (People's Republic of)	Japan	Switzerland
Egypt	Netherlands	United Kingdom
France	Nigeria	United States
Georgia	Norway	