



# Providing orientation

OECD Master File-concept and CbC Reporting – national implementation

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## Preamble

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### Dear Reader,

In the light of the rising pressure from the public and the G20, among other factors, the OECD has set itself an objective to combat tax planning arrangements that are solely aimed at tax evasion and profit shifting (Base Erosion and Profit Shifting – BEPS). Therefore, in April 2013, the OECD published an action plan which provided for 15 actions outlining which measures should be developed and implemented to eliminate aggressive tax planning practices.

Four of these actions relate directly to transfer pricing. After the Action 13 Final Report ("Transfer Pricing Documentation and Country-by-Country Reporting") was released by the OECD in 2015, a three-tiered transfer pricing documentation approach consisting of the Master File, Local File and Country-by-Country-Reporting has been included in the new OECD TP Guidelines dated July 2017.

As regards national implementation, Action 13 may well be considered as the BEPS measure for which States have so far adopted the most extensive legislation. Many legislators have decided whether to adopt the OECD proposal either in full or at least in part, or whether to fully reject the new concept.

The necessary framework conditions have been largely created for the automatic exchange of Country-by-Country (CbC) reports. Thus, at the end of 2017, already 68 countries signed the "Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports" (CbC MCAA) developed to implement the international mechanism of the automatic exchange of the CbC Reports. Notwithstanding this, the USA, Turkey, Romania, Taiwan and the United Arab Emirates remain the countries among others, which have not signed the Agreement.

The consistent and efficient implementation of the three-tiered documentation approach is considered to be of utmost importance not only by the OECD. Harmonised documentation regulations help corporate groups reduce also the compliance costs. Although the elements of the Master File, Local File and CbC Reporting were developed in a joint effort of many countries, the initial euphoria over the anticipated introduction of an internationally harmonised concept has meanwhile faded over signs of a heterogeneous implementation. In addition to still existing certain formal differences regarding the documentation, there are also content-related differences and differences with respect to the local preparation, notification and submission deadlines.

An implementation of a documentation concept in corporate groups which would be fully compliant with BEPS is therefore possible only to a limited extent. The knowledge of the respective national implementation status is an essential compliance task for the transfer pricing management team, especially in order to avoid formal errors and thus the possibility of questioning the usability of the documentation.

It is hardly surprising that the process of determining individual reporting obligations binding on internationally operating groups will itself take a lot of effort and give rise to uncertainty. The aim of this publication on 51 countries is to offer you initial guidance. Although this does not allow making any conclusive statements about the individual documentation obligations of your company, we believe that it will offer you a helpful initial overview.

Yours faithfully



Michael Scharf



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## BEPS Action 13

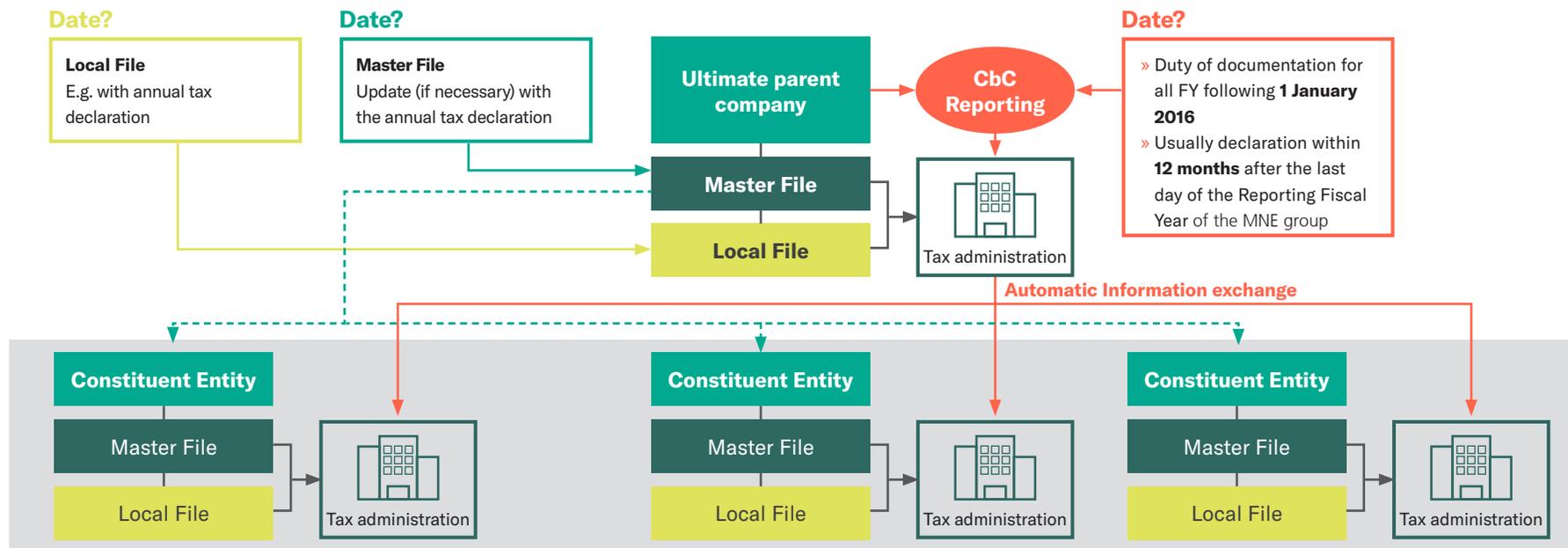
### Transfer Pricing Documentation and Country-by-Country Reporting

Following the points of action developed in the context of the BEPS project against Base Erosion and Profit Shifting of multinational enterprises, countries shall implement these actions via changes in domestic law and practices and via treaty provisions in order to protect their respective national tax bases. The BEPS Action Point 13 ("2015 Final Report – Transfer Pricing Documentation and Country-by-Country Reporting") provides guidance for tax administrations to improve transparency by developing rules and procedures on sufficient documentation in connection with risk assessment and transfer pricing inquiry. The proposed standardized three-tiered approach to transfer pricing documentation for Multinational Enterprise (MNE) groups has replaced the former Chapter 5 of the OECD Transfer Pricing Guidelines in July 2017 and should consist of the following: (i) a Master File, (ii) a Local File, and (iii) Country-by-Country Reporting (CbCR).



**The Master File** contains standardized information relevant for all MNE group members and should provide a general overview of the MNE group business, placing the MNE group's pricing practices in their global economic, legal, financial and tax contexts. Compared to already existing Master File concepts or that existed previously, the chapters on intangible assets and financing in particular are new. In contrast to the Master File the **Local File** provides more detailed information relating to specific intercompany transactions for the respective domestic taxpayer to which the Local File applies.

The third component of the three-tiered approach is **CbC Reporting** which is generally compiled only by MNE groups with annual consolidated group revenue equal to or exceeding EUR 750 million. CbC Reporting requires aggregate tax jurisdiction-wide information related to the global allocation of income, taxes paid, and certain indicators of the location of economic activity among the tax jurisdictions in which the MNE group operates. The Master File and CbC Reporting will be helpful for risk assessment purposes. However, the Local File comprises information relevant to a detailed transfer pricing analysis for the relevant taxing authority for each country in which the MNE group is situated.



The anticipated flow of information between the members of a MNE group and the taxing authorities.

In practice, the ultimate parent company is required to prepare the Master File and will share it with the constituent entities in order to comply with the documentation requirements. The ultimate parent company has access to all essential tax information. Depending on the existing intercompany transactions, the individual country specific Local Files can be filed centrally by the ultimate parent company or can be independently filed by the local companies. The more interlinked and versatile the intercompany transactions between the individual associated enterprises are, the less the centralization of information filing will be feasible. In general, each ultimate parent company of a MNE group is obligated to file a CbC Report in the country where it is resident for tax purposes. The OECD concept includes an annual exchange of information received from the reporting entities that is a resident for tax purposes in its jurisdiction with all other competent authorities of jurisdictions with respect to which it has an agreement in effect, and in which, on the basis of the information in the CbC Report, one or more constituent entities of the MNE group of the reporting entity are either a resident for tax purposes, or are subject to tax with respect to the business carried out through a permanent establishment.

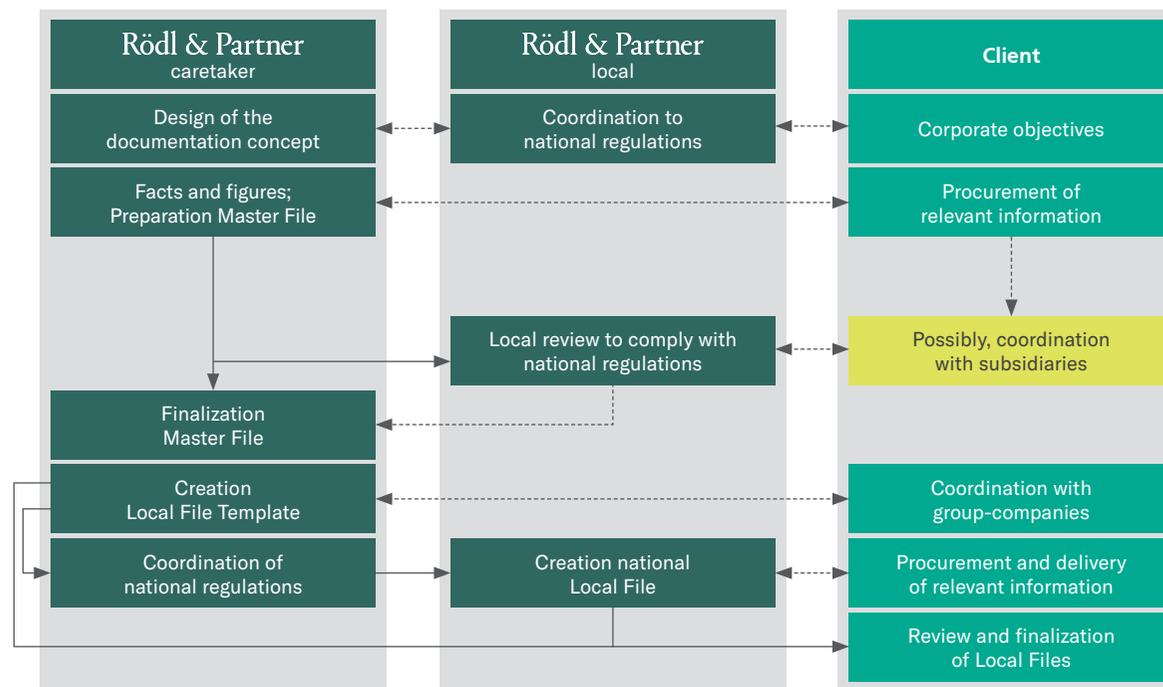
Many countries have already implemented or made initial arrangements to implement BEPS Action Point 13 in domestic law. An implementation will provide taxing authorities with useful information to assess transfer pricing risks and make determinations about where audit resources can most effectively be deployed. Taxpayers are encouraged to articulate convincing, consistent and cogent transfer pricing positions in order to be positioned to face what will inevitably be a more thorough risk assessment and audit process by their respective taxing authorities.

## The Rödl & Partner consulting approach

### Implementation of a documentation concept

Rödl & Partner assists multinational enterprise groups (MNEs) in developing and implementing global documentation concepts, and offers relevant ongoing support.

International documentation projects that have already been successfully implemented show which approaches are suitable for corporate groups to make the work progress more rapid. Designing and specification of the documentation concept at a central level as well as the use of standardised documentation contents are essential prerequisites for the implementation of a uniform approach. The following illustration presents an overview of how one documentation concept involving many parties could be structured:



## The Rödl & Partner consulting approach

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### Implementation of a documentation concept

In cooperation with the colleagues from Rödl & Partner's local transfer pricing teams, companies to be covered are identified for clients and the scope of the required transfer pricing documentation is determined, taking into account the legal framework conditions in the respective countries. By presenting the local documentation requirements for each individual company, Rödl & Partner offers an optimum basis for the decision-making process and gives specific recommendations for its implementation from a single source.

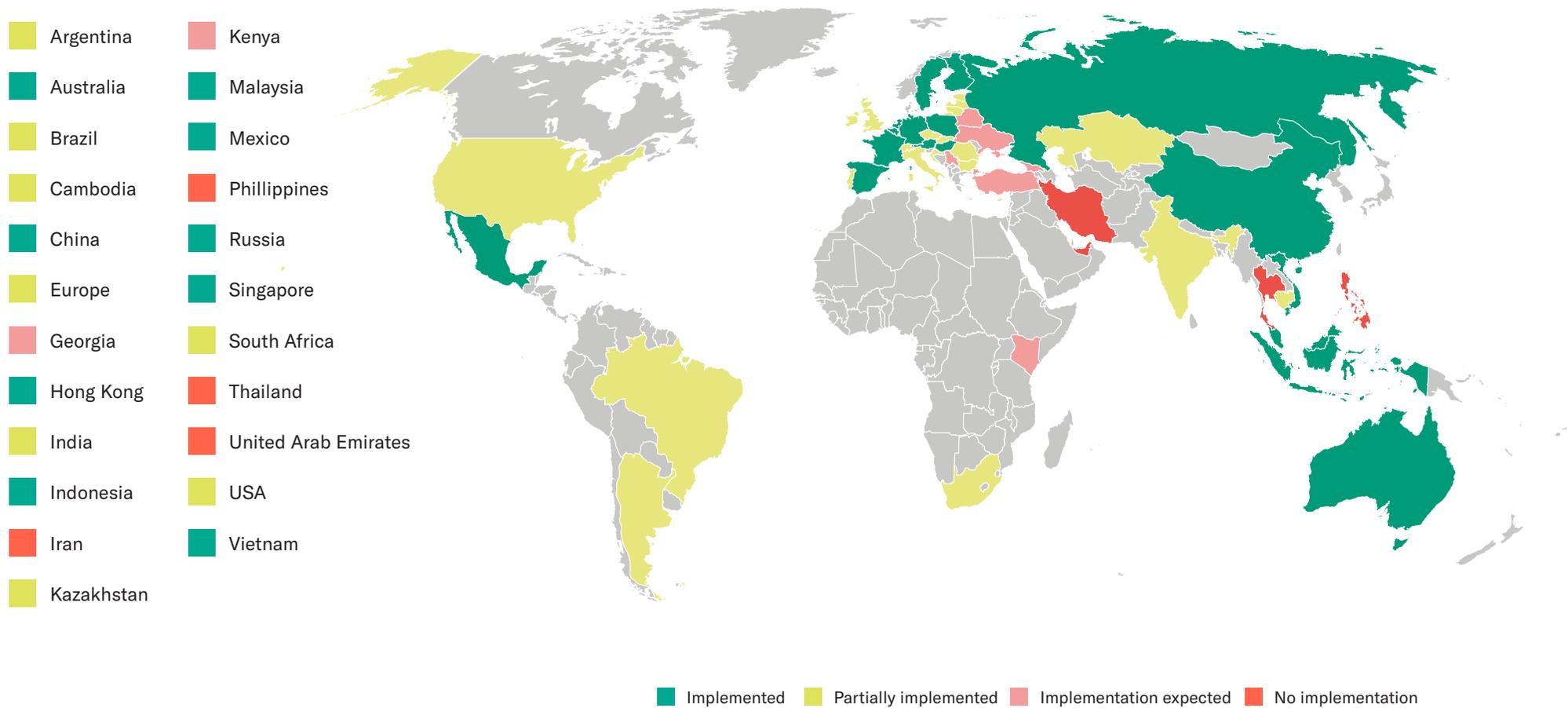
Thanks to the central management of the documentation process, Rödl & Partner takes over the coordination of the process for the client in order to use the synergy effects when obtaining information and analysing the facts of the case. In this process, the use of Rödl & Partner Document eXchange (**RDoX**) enables an easy and uncomplicated exchange as well as an individual structuring of the documentation contents while ensuring the highest degree of data security. In addition, **PORT** enables Rödl & Partner to support projects in a flexible manner and across countries using a single platform. At a glance, PORT provides a global overview of existing projects and work progress and enables their management – for both our clients and employees.

With regard to the CbC Reporting, Rödl & Partner offers both the mere conversion of the existing data records into the required XML format and system-based solutions which allow recording tax-relevant information directly at the level of individual companies worldwide and compiling such information from the group perspective. Together with Rödl & Partner's IT consultants on **SAP** or **Microsoft Dynamics** as well as using the tax reporting tool **DefTax**<sup>®</sup>, customised solutions can be developed for the existing IT landscape in corporate groups in order to facilitate future preparation and analysis of the CbC reports.

Our offices and transfer pricing experts working worldwide are a guarantee of short and uncomplicated communication channels. We can therefore offer multinational enterprise groups a global documentation concept from a single source, with a single central point of contact for all issues!

## BEPS Action 13 state of implementation in selected countries

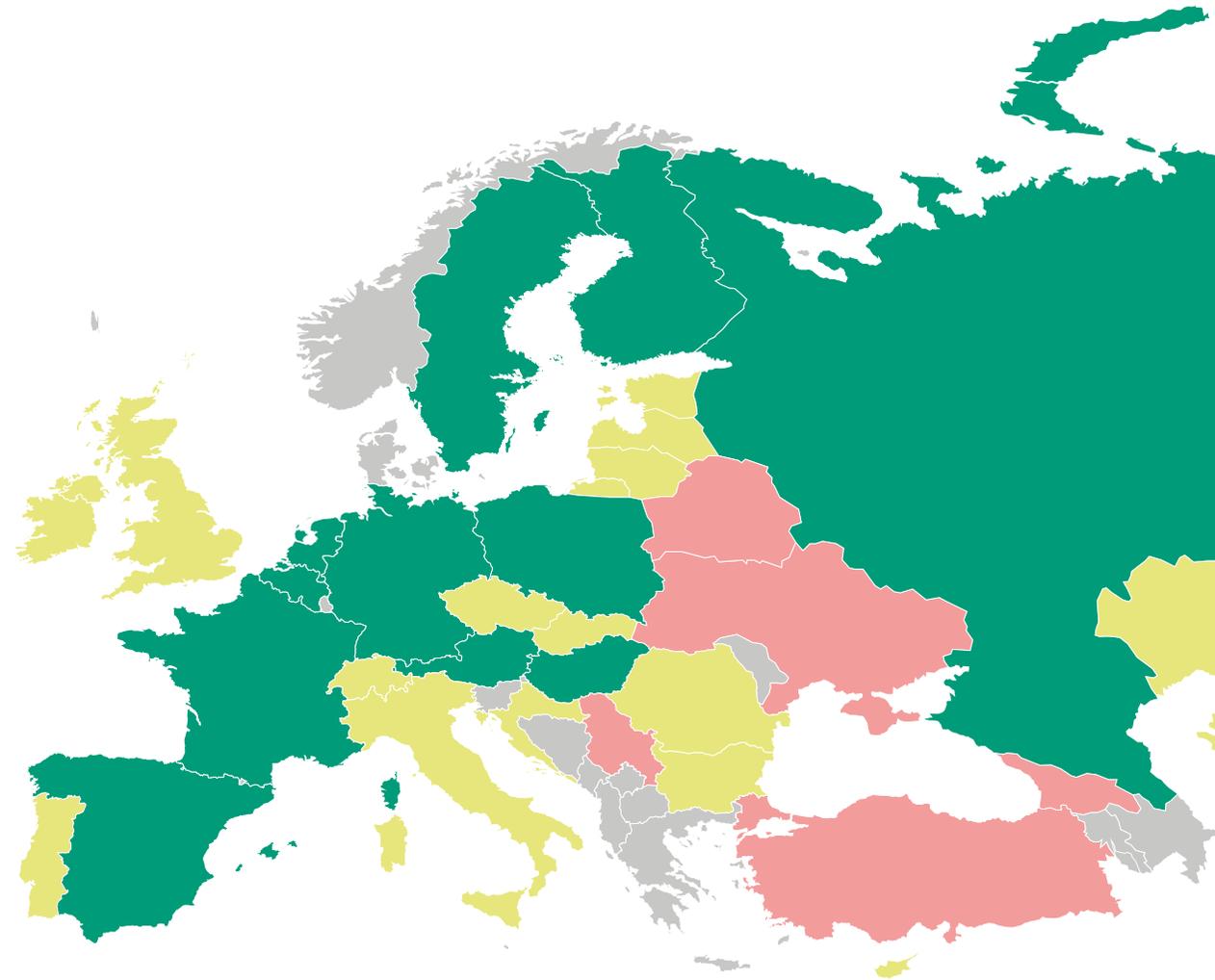
### World



## BEPS Action 13 state of implementation in selected countries

### Europe

 Austria	 Germany	 Romania
 Belarus	 Hungary	 Slovakia
 Belgium	 Ireland	 Serbia
 Bulgaria	 Italy	 Spain
 Croatia	 Latvia	 Sweden
 Cyprus	 Liechtenstein	 Switzerland
 Czech Republic	 Lithuania	 Turkey
 Estonia	 Netherlands	 Ukraine
 Finland	 Poland	 United Kingdom
 France	 Portugal	



 Implemented
  Partially implemented
  Implementation expected
  No implementation



# Implementation BEPS Action 13

## Argentina



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> </ul>	<ul style="list-style-type: none"> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» No thresholds have been set yet.</li> <li>» Submission deadline: Local documentation must be filed within 14 days of the beginning of the eighth month following the last fiscal year.</li> <li>» Notification duty: Not applicable</li> <li>» Penalties: Up to ARS 20,000 for non-compliance with the submission deadline.</li> </ul> </li> <li>» Also informative returns regarding transactions with related and unrelated entities located in foreign countries, tax havens or non-cooperative countries must be filed.                             <ul style="list-style-type: none"> <li>» A fine of ARS 10,000 will be imposed, if informative returns regarding transactions with foreign related entities are not submitted. In the case of a foreign-owned taxpayer, the fine increases up to ARS 20,000.</li> <li>» A fine of ARS 1,500 will be imposed, if informative returns regarding imports and exports with unrelated entities are not submitted. In the case of a foreign-owned taxpayer, the fine increases up to ARS 9,000.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2017.</li> <li>» Preparation and submission deadline: Submission within 12 months after the end of the fiscal year.</li> <li>» Threshold: Consolidated revenue of at least EUR 750 million in the previous year</li> <li>» Language: Not specified yet. The CbCR should be submitted in Spanish.</li> <li>» Surrogate Filing: Has been implemented.</li> <li>» Secondary Filing: Has been implemented.</li> <li>» Duty of notification: Within 3 months after the end of the fiscal year on the website of the Argentinian tax authority. In addition, a secondary notification must be filed within 2 months of the CbCR submission deadline as a confirmation that the CbCR was properly filed by the reporting entity.</li> <li>» Penalties: A fine ranging between ARS 80,000 and ARS 200,000 for failure to notify; in the case of failure to submit, the fine ranges between ARS 600,000 and ARS 900,000. In addition, taxpayers will be subject to further sanctions: (i) increased risk of tax audits in the future; (ii) suspension or exclusion from specific tax registers; and / or (iii) suspension from the applications to obtain non-withholding certificates.</li> <li>» Argentina is a signatory of Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for the submission has not been implemented yet.</li> </ul>
<p><b>Effective for fiscal years as from 1 January 2017</b></p>		



# Implementation BEPS Action 13

## Australia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The OECD Master File concept under BEPS Action 13 has been incorporated in the domestic legislation.</li> <li>» An SGE (significant global entity) is required to provide the Australian Taxation Office (ATO) with an English version of the Master File prepared by the global parent entity.</li> <li>» Exemptions are possible in limited cases only (e.g. for the first year if the foreign parent is in a jurisdiction which has not yet adopted the Master File concept). Exemptions must be applied for and are not automatic.</li> </ul>	<ul style="list-style-type: none"> <li>» Local File must be lodged in a prescribed electronic format which is unique to Australia. There is a “short form” for companies which are characterised as small in Australia and have certain attributes.</li> <li>» There is a Simplified Transfer Pricing Record Keeping Option available for specific small local entities.</li> <li>» Also, there is a requirement for an SGE to lodge general purpose financial statements with the ATO unless they have already been lodged with the corporate regulator.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Language: Only in English</li> <li>» Surrogate Filing: Yes, the CbCR can be lodged in another exchange jurisdiction under surrogate parent filing.</li> <li>» Secondary Filing: In the absence of exchange (by parent or surrogate jurisdiction), the local entity is required to lodge the CbCR.</li> <li>» Duty of notification: An entity is required to notify of its SGE status in the annual company tax return (as a rule, 6.5 months after the year-end).</li> <li>» Exchange: Where parent entity is located in jurisdiction where exchange relationship has been activated with Australia (either under CbC multilateral arrangements or under bilateral arrangements), then no separate lodgement is required in Australia.</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p>Requirements / thresholds:</p> <ul style="list-style-type: none"> <li>» Entity qualifies as an “Significant Global Entity” (SGE), if it is a member of a consolidated group of entities.</li> <li>» The group generated annual global income exceeding AUD 1 billion in the previous year.</li> <li>» Preparation and submission deadline: Within 12 months after the end of the FY.</li> </ul>		
<p>Penalties:</p> <ul style="list-style-type: none"> <li>» Failure to file on time penalties can range up to AUD 525,000 per filing obligation.</li> <li>» False or misleading statements can be fined up to 150 % of the tax shortfall, or in the case of no shortfall with a penalty of AUD 25,200. The penalty may be reduced if reasonable argumentation is presented. For transfer pricing adjustments, a transfer pricing study must be in place before the annual tax return is filed.</li> </ul>		
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

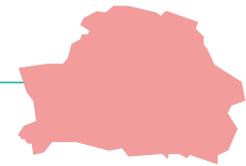
## Austria



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» An Austrian entity is part of a MNE group; and</li> <li>» Its revenue exceeded the amount of EUR 50 million in each of the two preceding years;</li> <li>» No Master File must be prepared as from the following fiscal year if the revenue does not exceed the relevant threshold in two consecutive years.</li> </ul> </li> <li>» Duty of notification and deadline for the preparation: No fixed deadline. The tax authorities may request submission of the Master File following the submission of the tax return.</li> <li>» If the revenue of the Austrian entity is below the threshold, tax authorities may request submission of the Master File if another group entity had to prepare the Master File according to the law of another state.</li> <li>» Submission deadline: Upon request, within 30 days.</li> <li>» Language: German or English</li> <li>» Penalties: Up to EUR 5,000 for non-compliance.</li> <li>» If the revenue is below the threshold, the transfer pricing documentation must be prepared based on the general rules.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Submission deadline: No later than 12 months after the end of the fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented. An Austrian entity will be required to prepare the CbCR if the Austrian tax authorities do not receive the CbCR from foreign tax authorities.</li> <li>» Duty of notification: By the end of the fiscal year; (form VPDG 1, per mail or electronically via FinanzOnline).</li> <li>» Penalties: Up to EUR 50,000 for non-compliance with the CbCR.</li> <li>» Austria is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		

# Implementation BEPS Action 13

## Belarus



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept has not been implemented. At the same time, the Master File concept does not contravene the local legislation and is largely accepted.</li> <li>» However, the Commission of the Eurasian Union has declared willingness to accept the OECD concepts, such as the concepts outlined in BEPS Action 13. In general, it is anticipated that Belarus will take similar steps as Russia, being its major economic partner, but this will be delayed in time.</li> <li>» Nevertheless, taxpayers are required to notify the tax authorities of the so-called e-invoicing controlled transactions and are obliged to provide documentation, which should be prepared according to the local law, upon request by the tax authorities.</li> <li>» Local documentation requirements:               <ul style="list-style-type: none"> <li>» Requirements / thresholds: The complete documentation shall be prepared and submitted upon request, if:                   <ul style="list-style-type: none"> <li>» The transaction volume exceeds BYN 1 million (approx. EUR 400,000) within a calendar year;</li> <li>» The taxpayer is a “large” taxpayer; or</li> <li>» The transactions concerned are classified as foreign trade in legally defined “strategic” goods with one person;</li> </ul> </li> <li>» In the following cases a short version of the documentation must be submitted upon request (early preparation is not required). Those cases comprise: Acquisition or sale of goods or services by or to an offshore entity, or an affiliated foreign-based entity or an affiliated entity, being tax-exempt in Belarus, with the transaction volume exceeding BYN 100,000 (approximately EUR 40,000) within a calendar year; or real estate transactions;</li> <li>» Belarussian taxpayers, with the exception of “large” taxpayers and sellers / purchasers of “strategic” goods, are not obliged to prepare the transfer pricing documentation and / or to have it in place.</li> </ul> </li> <li>» Submission deadline: Upon request, within 5 (internal audit) or 10 (external audit) working days after receiving a request from the tax authorities.</li> <li>» Duty of notification: By means of e-invoices which are to be uploaded to the server of the Ministry of Taxes and Duties until the 20th day of the following month.</li> <li>» Language: Belarusian or Russian</li> <li>» Penalties: There are no penalties for the absence of documentation, but the relevant sanctions may be imposed if underpayment of corporate tax is detected.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has not been implemented yet.</li> <li>» It is expected that the implementation of CbCR in Russia will accelerate the process in Belarus.</li> </ul>



# Implementation BEPS Action 13

## Belgium



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been incorporated in the domestic legislation.</li> <li>» Requirements / thresholds: A Master File must be filed if the Belgian constituent entity exceeds one of the following criteria for the fiscal year immediately preceding the last accounting period.                             <ul style="list-style-type: none"> <li>» Total operating and financial revenue of more than EUR 50 million per Belgian constituent entity (excl. non-recurring revenue), or</li> <li>» Total balance sheet of more than EUR 1 billion per Belgian constituent entity , or</li> <li>» Annual average of more than 100 fulltime equivalents (employees) per Belgian constituent entity.</li> </ul> </li> <li>» Preparation and submission deadline: Within 12 months after the end of the financial year of the MNE group.</li> <li>» Language: National languages and English</li> <li>» Penalties: Non-compliance with the submission deadline can result in a fine ranging between EUR 1,250 and EUR 25,000 for the second violation.</li> <li>» XML-Format for submission has been implemented.</li> </ul>	<ul style="list-style-type: none"> <li>» Requirements / thresholds: The same requirements as in the case of the Master File.</li> <li>» Submission deadline: The Local File must be filed together with the corporate income tax return of the Belgian constituent entity relating to the reporting period.</li> <li>» Language: National languages and English</li> <li>» Penalties: Non-compliance with the submission deadline can result in a fine ranging between EUR 1,250 and EUR 25,000 for the second violation</li> <li>» The Local File consists of 3 parts: A, B and C. Part A must always be filed if the Local File is required. Part B must be filed only in the event that at least one of the business units of the Belgian entity has executed cross-border intra-group transactions of more than EUR 1,000,000. Part C is optional and can be used for filing appendices.</li> <li>» XML-Format for submission has been implemented.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: The MNE group must file the CbCR if it has generated a consolidated revenue of EUR 750 million as shown in the consolidated financial statement for the fiscal year immediately preceding the last accounting period.</li> <li>» Submission deadline: Within 12 months after the end of the reporting period of the MNE group.</li> <li>» Language: National languages and English</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: The notification form must be filed by the end of the reporting period of the MNE group.</li> <li>» Penalties: Non-compliance with the submission deadlines can result in a fine ranging between EUR 1,250 and EUR 25,000 for the second violation.</li> <li>» Belgium is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>	<ul style="list-style-type: none"> <li>» <b>Part A &amp; C are effective in Law for fiscal years as from 1 January 2016</b></li> <li>» <b>Part B is effective in Law for fiscal years as from 1 January 2017</b></li> </ul>	<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>



# Implementation BEPS Action 13

## Brazil



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The implementation of the Master File concept according to BEPS Action 13 is not expected.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Obligation to prepare documentation: Pursuant to the Law No. 9.430/96 and the Normative Instruction #1312/2012, intercompany transactions (e.g. flow of goods, services, rights or loans) are subject to domestic transfer pricing rules. Brazilian companies electing the Presumed Profit Method to assess their Corporate Income Tax are exempt from the obligation to perform the calculation on import transactions.</li> <li>» Submission deadlines: The documentation does not need to be submitted, but the calculation must be prepared until the last business day of July of the following calendar year (the documentation must be kept on file for 5 years). The calculation should be performed on a yearly basis to assess whether any adjustment to the corporate income tax base should be made on an item-by-item basis, irrespective of the value of intercompany transactions. Safe harbour applies only to export transactions, provided that specific criteria are met.</li> <li>» Duty of notification: No notification obligation regarding preparation of documentation; Calculated fiscal adjustments must be disclosed in the Corporate Income Tax Return for the following year (last business day of July).</li> <li>» English documentations are not accepted.</li> <li>» Penalties for non-compliance: Non-deductibility of expenses, if applicable, adjustment of the corporate income tax base and of the amount of tax due in the period, plus financial penalties and interest for submitting inaccurate information.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Thresholds:                             <ul style="list-style-type: none"> <li>» Enterprises with total consolidated revenue of the previous fiscal year of more than BRL 2.26 billion, if the parent company is resident in Brazil; or</li> <li>» Consolidated revenue of more than EUR 750 million in the previous fiscal year if the parent company is resident abroad.</li> </ul> </li> <li>» Submission deadline: Currently, the CbCR shall be disclosed annually using a Module (Bloco W) of the Brazilian Annual Corporate Income Tax Return ("ECF") no later than by the last business day of July each year.</li> <li>» Language: Portuguese, English or Spanish</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: As part of the Annual Corporate Income Tax return; In the same electronic format as the CbCR and at the same time, i.e. by the last business day of July each year.</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» Provision of incomplete or inaccurate information on transactions and financial operations in CbCR may result in a penalty of up to 3% of the transaction value.</li> <li>» Failure to file the CbCR is subject to a penalty ranging between BRL 500 and BRL 1,500 on a monthly basis.</li> </ul> </li> <li>» Brazil is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## Bulgaria



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» There are no legally prescribed obligations regarding preparation of the transfer pricing documentation. Any transactions with related parties have to be declared in the annual tax return and disclosed in the annual financial statements.</li> <li>» Thresholds: According to the Transfer Pricing Guidelines issued by the Bulgarian tax authorities, it should be assessed on a case by case basis whether a detailed transfer pricing documentation is required. As a rule, it is not necessary for transactions with related entities which do not exceed the following thresholds:                                     <ul style="list-style-type: none"> <li>» BGN 200,000 for transactions in goods and services;</li> <li>» BGN 400,000 for transactions in intangible assets and interests under loan agreements.</li> </ul> </li> </ul> </li> <li>» Submission deadline: In the case of a tax audit, the deadline is determined by the tax authority (usually 7 or 14 days). If requested documents and /or declarations are not submitted on time, the tax authorities may impose a financial penalty. The term may be prolonged or temporarily suspended under certain circumstances.</li> <li>» Duty of notification: No</li> <li>» Language: Bulgarian</li> <li>» Penalties for non-compliance: A financial penalty between BGN 250 and BGN 500 will be imposed, if the taxpayer refuses to cooperate with the tax authorities or prevents auditors from exercising their powers. In the case of repeated violation, a financial penalty ranges between BGN 500 and BGN 1,000.</li> </ul>		<ul style="list-style-type: none"> <li>» Effective for the fiscal years starting from 2016, if the CbCR is filed by the ultimate parent entity or within the scope of surrogate filing.</li> <li>» Effective for the fiscal years starting from 2017, if the CbCR is filed by the constituent entity.</li> <li>» Thresholds:                             <ul style="list-style-type: none"> <li>» Ultimate parent entity of the group is a tax resident in Bulgaria and the annual consolidated group revenue is at least BGN 100 million (approx. EUR 51 million) for the fiscal year preceding the reporting year; or</li> <li>» Ultimate parent entity of the group is not a tax resident in Bulgaria and the annual consolidated group revenue is at least BGN 1,466,872,500 (EUR 750 million) for the fiscal year preceding the reporting year.</li> </ul> </li> <li>» Submission deadline: Within 12 months after the end of the fiscal year.</li> <li>» Language: Bulgarian</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: In the electronic format through the website of the NRA by the end of the fiscal year. Information about the status regarding the CbCR within the MNE group and about which entity is required to file the CbCR should be disclosed.</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» No report submitted (a penalty of up to BGN 200,000);</li> <li>» Submission of incomplete or incorrect data or breach of the notification duty (a penalty of up to BGN 150,000).</li> </ul> </li> <li>» Bulgaria is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has not been implemented. An electronic programme is available on the NRA website.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016 or 1 January 2017</b></p>		



# Implementation BEPS Action 13

## Cambodia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Ministry of Economy and Finance issued Prakas No. 986 which is based on the OECD Transfer Pricing Guidelines.</li> <li>» The Prakas definition of related parties corresponds with the Law on Taxation, according to which enterprises are related if:                             <ul style="list-style-type: none"> <li>» They are members of the same group of enterprises; or</li> <li>» An enterprise controls another enterprise (i.e. participation of at least 20%); or</li> <li>» An enterprise is controlled by another enterprise; or</li> <li>» Enterprises are under common control of a third party.</li> </ul> </li> <li>» Thresholds: No</li> <li>» Deadline for the preparation: The same as the due date for filing tax returns; i.e. within 3 months after the fiscal year-end.</li> <li>» Submission deadline: Upon request by the Cambodian tax authority; submission deadline is determined on a case-by-case basis.</li> <li>» Duty of notification: Taxpayer must disclose related-party transactions when filing tax returns.</li> <li>» Language: Khmer or English</li> <li>» Penalties: Failure to comply with the TP regulations may result in:                             <ul style="list-style-type: none"> <li>» Revocation of the company’s certificate of conformity;</li> <li>» A monetary penalty ranges between 10% and 40% of back taxes;</li> <li>» A criminal complaint is lodged against a taxpayer;</li> <li>» Interest charge of 2% on back taxes due to adjustment to the arm’s length pricing.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has not been implemented.</li> <li>» Cambodia is not a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).</li> </ul>
<p><b>Effective in Law for fiscal years from 10 October 2017</b></p>		



# Implementation BEPS Action 13

## China



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» The enterprise has cross-border transactions with related parties and the group, which the enterprise is a part of, has already prepared a Master File; or</li> <li>» The total amount of related-party transactions exceeds CNY 1 billion.</li> </ul> </li> <li>» Deadline for the preparation: Within 12 months after the fiscal year end of the group's ultimate holding company.</li> <li>» Submission deadline: Within 30 days upon request of tax authorities.</li> <li>» As compared to BEPS Action 13, additional information is required for the Master File in China.</li> <li>» Duty of notification: It should be indicated in the annual CIT return whether the company is obliged to prepare the Master File for the year.</li> <li>» Language: Chinese</li> <li>» Penalties: Non-compliance (CNY 10,000), if requirements are not met.</li> </ul>	<ul style="list-style-type: none"> <li>» The Local File concept has been adjusted to the BEPS Action 13 in 2016.</li> <li>» Thresholds:                             <ul style="list-style-type: none"> <li>» In the case of transfers of tangible assets exceeding the amount of CNY 200 million between related companies;</li> <li>» In the case of transfers of financial assets or transfers of ownership of intangible assets exceeding the amount of CNY 100 million between related parties;</li> <li>» All other related party transactions exceeding CNY 40 million in total (e.g. interests on intercompany loans).</li> </ul> </li> <li>» Deadline for the preparation: June 30 of the following fiscal year.</li> <li>» Submission deadline: Upon request of tax authorities within 30 days.</li> <li>» As compared to BEPS Action 13, additional information is required for the Local File in China.</li> <li>» Duty of notification: It should be indicated in the annual CIT return whether the company is obliged to prepare the Local File for the year.</li> <li>» Language: Chinese</li> <li>» Penalties: Non-compliance (CNY 10,000), if requirements are not met.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» Ultimate parent entity of a MNE group is a tax resident in China and the group has generated an annual consolidated group revenue of more than CNY 5.5 billion; or</li> <li>» A Chinese entity has been commissioned by the MNE group to prepare the CbCR (preparation of the CbCR is governed by the domestic tax law of the ultimate parent entity).</li> </ul> </li> <li>» Submission deadline: May 31 of the following year together with the annual CIT return.</li> <li>» Language: Chinese and English</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Penalties: CNY 10,000 – CNY 50,000</li> <li>» Duty of notification: Along with the form for reporting of related party transactions.</li> <li>» China is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>

**Effective in Law for fiscal years as from 1 January 2016**



# Implementation BEPS Action 13

## Croatia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The implementation of the Master File concept according to BEPS Action 13 is expected.</li> <li>» The Croatian tax authority (CTA) has not issued any guidelines on the implementation of the Master File concept yet, but the incorporation in the domestic legislation is expected.</li> <li>» The Local File has not been implemented as such, but the local requirements are similar to the OECD TP Guidelines.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Thresholds: No thresholds have been prescribed by the CTA concerning transfer pricing documentation.</li> <li>» Deadline for the preparation: No deadline for preparing the transfer pricing documentation has been prescribed by law. The law requires the transfer pricing documentation to be available and provided to the tax authorities upon their request as part of a tax audit.</li> <li>» Submission deadline: In practice, taxpayers have 30 to 45 days to submit their TP documentation after receiving a request from the tax authority.</li> <li>» Duty of notification: There are no notification requirements. Some medium and large entities must provide information about the methods applied, if requested by the CTA.</li> <li>» Language: Croatian</li> <li>» Penalties: Fines of up to HRK 200,000 (approximately EUR 27,000) may be imposed on a company and up to HRK 20,000 (approximately EUR 2,700) on the responsible individual within the company for every underestimation of the corporate income tax liability. Penalty interest will also be calculated starting from the date on which the tax was due.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: MNEs headquartered in Croatia with a total consolidated group turnover of at least EUR 750 million in the last fiscal year.</li> <li>» Submission deadline: Within 12 months after the end of the fiscal year for which the report was submitted.</li> <li>» Language: Croatian</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Within 4 months after the end of the fiscal year</li> <li>» Penalties: From EUR 270 to EUR 27,000</li> <li>» Croatia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has not been implemented yet but it is expected.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## Cyprus

MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» The tax authorities have not yet issued any guidance on the implementation of the Master File and the Local File. However, it is expected that the OECD TP Guidelines will have been adopted by the tax authorities by 2019.</li> <li>» No Local documentation requirements are in place.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Ultimate parent entity of a MNE group with a consolidated annual revenue exceeding EUR 750 million in the previous year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented; Effective in law for fiscal years from 2017 onwards.</li> <li>» Penalties: At this stage, the level of penalties has not been determined yet. It is expected to be effective as required by the EU Directive.</li> <li>» Duty of notification: The CbCR should be submitted by the end of each fiscal year. Submission is made by electronic means.</li> <li>» Language: English</li> <li>» Cyprus is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
		<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>





# Implementation BEPS Action 13

## Czech Republic



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept has not been incorporated in the domestic law yet. However, it is recommended by internal and external regulations of the tax authorities to follow the OECD TP Guidelines with regards to the Master File and the Local File.</li> <li>» Both files are typically requested by the tax authorities during external tax audits.</li> <li>» Language: In practice, the Master File is usually accepted in English or German, but according to the law it should be prepared in Czech. The Local File is accepted only in the Czech language.</li> <li>» Starting from the assessment period 2014, the volume of all cross-border intercompany transactions must be notified as an appendix to the corporate income tax return (except PEs).</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: At the end of the fiscal year.</li> <li>» Penalties: Up to CZK 1.5 million.</li> <li>» Czech Republic is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» The OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## Estonia

MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» Since 2007, Estonia has had in place a similar documentation concept that closely follows the prior OECD TP Guidelines.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Requirements / thresholds for preparing a documentation:                                     <ol style="list-style-type: none"> <li>1) For resident credit institutions, insurance companies and business associations registered on the stock market;</li> <li>2) If one transaction party is an entity with tax residency in a low tax rate territory;</li> <li>3) For resident corporate groups with at least 250 employees (including associated entities), or with a group revenue of at least EUR 50 million in the fiscal year preceding the transaction, or a consolidated balance sheet of at least EUR 43 million;</li> <li>4) For non-resident corporate groups, being active in Estonia via a permanent establishment and having at least 250 employees (including associated entities), or a group revenue of at least EUR 50 million in the fiscal year preceding the transaction, or a consolidated balance sheet total of at least EUR 43 million.</li> </ol> </li> </ul> </li> <li>» Deadline for the preparation: A transfer pricing documentation is required only after a formal request has been sent by the Estonian Tax and Customs Board.</li> <li>» Submission deadline: Transfer pricing documentation should be submitted to the tax authorities within 60 days of their request.</li> <li>» Duty of notification: No</li> <li>» Language: If the documents were prepared in a foreign language, the taxpayer shall submit the documents to the tax authorities in the foreign language. The tax authorities may request a translation of the documents into Estonian language, assigning a reasonable deadline for submitting the translation.</li> <li>» Penalties for non-compliance: Up to EUR 3,200 plus an interest rate of 0,06% per each day on the adjusted value (applicable in the case of non-compliance with the arm's length principle).</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been incorporated in the domestic law as of 1 of April 2017.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the preceding year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Within 6 months after the end of the fiscal year.</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» EUR 3,200 and extended period of limitations for tax audits (5 years) if the CbCR has not been filed;</li> <li>» Any group entity resident in Estonia can be required to file the CbCR if the notification has not been filed and additionally, a penalty of EUR 3,200 can be imposed.</li> </ul> </li> <li>» Estonia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» The implementation of the OECD's XML format for submission is expected.</li> </ul>
		<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>

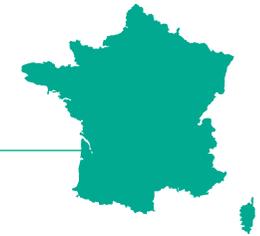


# Implementation BEPS Action 13

## Finland



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented. Implementation Act: Section §14b of the Act on Assessment Procedure ("Laki Verotusmenettelystä").</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» Number of employees exceeding 250 (on a group level); or</li> <li>» Group revenue over EUR 50 million or balance-sheet total over EUR 43 million (both on a group level); and</li> <li>» Company fulfils the criterion set in Commission Recommendation 2003 / 361 / EC ("SME"); and</li> <li>» If the value of intra-group transactions with each of the affiliated entities during the fiscal year does not exceed EUR 500,000 (exemption from the above-mentioned threshold requirements), a Master File is not required. A Local File must be still prepared if the above-mentioned thresholds are exceeded, but there is a significant relief as regards its contents.</li> </ul> </li> <li>» Deadline for the preparation: No earlier than 6 months after the end of fiscal year.</li> <li>» Submission deadline: Within 60 days after receiving a request.</li> <li>» Duty of notification: No</li> <li>» Language: Master File and Local File may be prepared in Finnish, Swedish and English.</li> <li>» Penalties: Maximum penalty of EUR 25,000.</li> <li>» The same stipulations (concerning thresholds, deadlines, penalties etc.) apply to the Local File as to the Master File.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016. Relevant Law: Section §14d and §14e of the Act on Assessment Procedure ("Laki Verotusmenettelystä").</li> <li>» Requirements: A parent entity of a MNE group and a foreign company with a PE in Finland for CIT purposes.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Language: The CbCR may be prepared in Finnish, Swedish and English.</li> <li>» Submission deadline: Within 12 months after the end of the fiscal year</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification:                             <ul style="list-style-type: none"> <li>» As a rule, by the end of the fiscal year;</li> <li>» Extended period until 31 May 2017 for fiscal years ending before 31 May 2017.</li> </ul> </li> <li>» Penalties: Maximum penalty of EUR 25,000.</li> <li>» Finland is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>



# Implementation BEPS Action 13

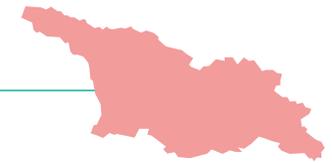
## France



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been incorporated in domestic law in January 2018, and is therefore effective for tax audits starting from 2019 ("Finance Bill for 2018").</li> <li>» Thresholds: Net revenue or gross assets exceeding EUR 400 million (calculated either at the level of a French enterprise or at the level of an affiliated entity).</li> <li>» Deadline for the preparation: There is no deadline for preparing the Master File and Local File.</li> <li>» Submission deadline: Within 30 days after receiving a request (as part of a tax audit).</li> <li>» Duty of notification: The entities concerned must file the form 2257-SD regarding their transfer prices on an annual basis. It can be filed along with the annual corporate tax return (at the beginning of May), but no later than in November.</li> <li>» Languages: Files in English are not officially recognised, but accepted in practice.</li> <li>» Penalties: Minimum penalty of EUR 10,000 per audited year. In the case of a serious breach - up to 0.5% of the value of undocumented transactions or 5% of the tax adjustment.</li> <li>» The requirements, deadlines and duties are identical for the Master File and the Local File.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million for the FY under review.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year of the MNE group.</li> <li>» Language: Report should be filed in English.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Along with the annual corporate income tax return (in May for companies closing the year on 31 December). A special format applies if an ultimate parent entity is located in France.</li> <li>» Penalties: Non-compliance with the CbCR and notification requirements results in a penalty of up to EUR 100,000.</li> <li>» France is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has not been implemented yet.</li> </ul>
<p style="text-align: center;"><b>Effective in Law for fiscal years as from 1 January 2018</b></p>		<p style="text-align: center;"><b>Effective in Law for fiscal years as from 1 January 2016</b></p>

## Implementation BEPS Action 13

### Georgia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» Since 14 June 2016, Georgia has been a member of the Inclusive Framework on BEPS that brings together over 100 countries and jurisdictions to collaborate on the implementation of the OECD / G20 Base Erosion and Profit Shifting (BEPS) Package.</li> <li>» The implementation of the Master File concept according to BEPS Action 13 is expected.</li> </ul>		<ul style="list-style-type: none"> <li>» Implementation of the CbCR according to BEPS Action 13 is expected.</li> <li>» Georgia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>





# Implementation BEPS Action 13

## Germany



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been incorporated in the German law with slight modifications. Nature, content and scope of the documentation are laid down in the German Regulation on Documentation of Profit Allocation.</li> <li>» Thresholds for preparing the Master File: Entity with a revenue of at least EUR 100 million in the previous year.</li> <li>» Thresholds for preparing the Local File:                             <ul style="list-style-type: none"> <li>» Transfer of goods or services: EUR 6 million;</li> <li>» Other transactions: EUR 600,000.</li> </ul> </li> <li>» Submission deadline: Within 60 days or in the case of extraordinary transactions within 30 days after receiving a request from the tax administration. No submission required e.g. along with the annual tax return.</li> <li>» Duty of notification: No</li> <li>» Language: As a rule, the Master and the Local File must be submitted in German. Upon request, the documentation may be submitted in English.</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» Tax administration can assess the revenue (shifting the burden of proof to the taxpayer);</li> <li>» Failure to submit or submission of inadequate documentation: Penalty ranging between min. 5% and max. 10% of the adjusted revenue; however no less than EUR 5,000;</li> <li>» Late submission: Penalty of EUR 100 per each day after expiration of the deadline (with the upper limit of EUR 1 million).</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» Implementation of the CbCR according to BEPS Action 13 in §138a AO.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year. Evaluation and storage of records for 15 years.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Submission along with the annual tax return.</li> <li>» Penalties: Non-compliance with the CbCR and notification requirements results in a penalty of up to EUR 10,000).</li> <li>» Language: The CbCR must be prepared in the following languages:                             <ul style="list-style-type: none"> <li>» Table I and II: German or English</li> <li>» Table III: in English only</li> </ul> </li> <li>» Germany is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>



# Implementation BEPS Action 13

## Hong Kong

MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Thresholds: Applies to a Hong Kong-based entity of a MNE group.</li> <li>» Except for the fiscal years in which two of the following conditions are met:                             <ul style="list-style-type: none"> <li>» Entity's total revenue: below HKD 200 million;</li> <li>» Entity's total assets: below HKD 200 million;</li> <li>» Entity's average number of employees: below 100.</li> </ul> </li> <li>» Deadline for the preparation and submission: Within 6 months after the end of the group's fiscal year.</li> <li>» Duty of notification: not specified</li> <li>» Languages: English or Chinese</li> <li>» Penalties: HKD 100,00</li> </ul>	<ul style="list-style-type: none"> <li>» Thresholds: Applies to a Hong Kong-based entity of a MNE group.</li> <li>» Except for the fiscal years in which two of the following conditions are met:                             <ul style="list-style-type: none"> <li>» Entity's total revenue: below HKD 200 million;</li> <li>» Entity's total assets: below HKD 200 million;</li> <li>» Entity's average number of employees: below 100.</li> </ul> </li> <li>» According to the Inland Revenue (Amendment No.6) Bill 2017 ("the Bill"): If the volume of the following types of controlled transactions does not exceed the following thresholds, no documentation is necessary for that type of the transaction:                             <ul style="list-style-type: none"> <li>» Transfer of tangible assets (excluding financial assets and intangibles) is below HKD 220 million;</li> <li>» Transfer of financial or intangible assets is below HKD 110 million;</li> <li>» Other transactions are below HKD 44 million.</li> </ul> </li> <li>» Deadline for the preparation and submission, duty of notification, languages and penalties are identical for the Local File and the Master File.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS 13 has been implemented for FYs starting from 2018.</li> <li>» Threshold: Consolidated group revenue of at least EUR 750 million for the fiscal year under review (or HKD 6.8 billion).</li> <li>» Deadline for the preparation and submission: Within 12 months after the end of the relevant fiscal year or by the date specified by an auditor, whichever is the earlier.</li> <li>» Languages for filing the CbCR: English or Chinese</li> <li>» Surrogate Filing: Implementation framework is in place but subject to pending scrutiny by the Legislative Council.</li> <li>» Secondary Filing: Implementation framework is in place but subject to pending scrutiny by the Legislative Council.</li> <li>» Notification: Every Hong Kong-based entity is required to file a notification containing information relevant for determining the obligation to file the CbCR within 3 months after the end of the relevant fiscal year. The entity will receive a document confirming the filing of such a notification.</li> <li>» Penalties: HKD 100,000</li> <li>» Hong Kong will become a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA") after the enactment of the bill.</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 April 2018</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2018</b></p>





# Implementation BEPS Action 13

## Hungary



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Thresholds: All transactions / transaction groups exceeding the volume of HUF 50 million must be documented.</li> <li>» Deadline for the preparation:                             <ul style="list-style-type: none"> <li>» If the ultimate parent entity prepares the Master File: Within 12 months after the end of the fiscal year;</li> <li>» If the Hungarian entity prepares the Master File: Within the submission deadline of the corporate income tax return.</li> </ul> </li> <li>» Submission deadline: Only upon request of the tax authorities, usually at short notice.</li> <li>» Duty of notification: A notification is not necessary due to the obligation to prepare the Master File.</li> <li>» Language: English, French, German or Hungarian.</li> <li>» Penalties: Maximum penalty of up to HUF 2 million for each transaction which must be documented, per fiscal year. In the case of repeated breach of obligations, the penalty may quadruple.</li> </ul>	<ul style="list-style-type: none"> <li>» The Local File must be prepared according to BEPS Action 13.</li> <li>» Thresholds: All transactions / transaction groups exceeding the volume of HUF 50 million must be documented.</li> <li>» Deadline for the preparation: The Local File must be prepared before submission of the corporate income tax return (i.e. within 5 months after the end of the fiscal year).</li> <li>» A separate documentation must be prepared for each transaction / transaction type.</li> <li>» Submission deadline: No</li> <li>» Benchmark analyses must be prepared at least every three years and must be reconstructable.</li> <li>» Duty of notification: A notification is not necessary due to the obligation to prepare the Local File.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016 or 2017 (if the Hungarian entity is required to file the CbCR).</li> <li>» Threshold: Consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Deadline for the preparation and submission: The CbCR should be filed within 12 months after the end of the fiscal year. An exception in the first fiscal year is possible for entities whose ultimate parent entity has not implemented the CbCR yet.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification duty: Notification before the last day of the current fiscal year.</li> <li>» Penalties: HUF 20 million</li> <li>» Hungary is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has not been implemented. Instead, a special electronic format in the Hungarian language has been developed for the purpose of filing the CbCR with the Hungarian tax authority.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2018</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2016 or 1 January 2017</b></p>



# Implementation BEPS Action 13

## India



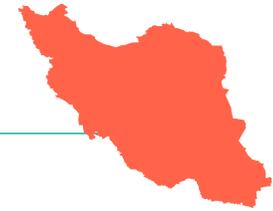
MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented with an effective date of 1 April 2016.</li> <li>» Requirements / thresholds: The consolidated group revenue for the accounting year exceeds INR 5 billion (approx. EUR 63.5 million) and further additional requirements.</li> <li>» Submission deadline: Annually until 30 November.</li> <li>» Responsibility: Every constituent entity / designated entity, which does not exceed the thresholds mentioned above, must submit general information in Part A of the Form 3CEAA. If the thresholds are exceeded, Part A and Part B (detailed contents) of the Form 3CEAA must be submitted.</li> <li>» Duty of notification: Notification report in the Form 3CEAB must be filed by the designated entity at least 30 days before the expiration of the submission deadline.</li> <li>» The above reports must be made available to the “Director General of Income-Tax (Risk Assessment)” and should be accessible to the Tax Officer carrying out the TP Audit.</li> <li>» The contents of the Master File are fairly in line with BEPS Action 13, except for slight deviations.</li> <li>» Language: English</li> <li>» Penalties: Non-submission of the Master File results in a penalty of INR 500,000.</li> </ul>	<ul style="list-style-type: none"> <li>» Local File requirements under Indian TP Law were introduced in 2001 and are to a large extent in line with BEPS Action 13.</li> <li>» Threshold: Aggregate value of international transactions exceeding INR 10 million.</li> <li>» Preparation deadline: The same as the deadline for filing the income tax return, i.e. by 30 November.</li> <li>» Submission deadline: Upon request, within 30 days with the possibility of extension for additional 30 days.</li> <li>» Duty of notification: No</li> <li>» Language: English</li> <li>» Penalties: 2% of the value of international transactions for non-maintenance, non-reporting or non-submission to the relevant Tax Officer.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS 13 has been implemented for FYs starting from April 2016.</li> <li>» Threshold: Consolidated group revenue exceeds INR 55 billion (approx. EUR 733 million) in the preceding accounting year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Language: English</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Notification report must be filed at least 2 months prior to the above-mentioned submission deadline.</li> <li>» Penalties:                         <ul style="list-style-type: none"> <li>» Non-submission of the CbCR: INR 5,000 – INR 15,000 for each day of the delay (approx. EUR 63 – EUR 190 for each day of the delay);</li> <li>» For subsequent delays: INR 50,000 per day (approx. EUR 630 per day);</li> <li>» Providing inaccurate information in the CbCR results in a penalty of INR 500,000 (approx. EUR 6,300).</li> </ul> </li> <li>» India is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).</li> <li>» A format similar to the OECD’s XML format has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 April 2016</b></p>		<p><b>Effective in Law for fiscal years as from 1 April 2016</b></p>



# Implementation BEPS Action 13

## Indonesia

MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Thresholds:                             <ul style="list-style-type: none"> <li>» Annual gross revenue in the previous year exceeded IDR 50 billion (if the taxpayer has operated for less than 12 months, the revenue should be annualised); or</li> <li>» The value of annual related-party transactions in the previous year exceeded:                                     <ul style="list-style-type: none"> <li>» IDR 20 billion for transactions involving transfer of tangible assets; or</li> <li>» IDR 5 billion for each transaction involving services, interest payments, intangibles or other transactions defined as high-risk transactions; or</li> </ul> </li> <li>» The related party is domiciled in a country or jurisdiction with a lower rate of corporate income tax than the rate applicable in Indonesia (25%).</li> </ul> </li> <li>» Deadline for the preparation: Within four months after the end of the fiscal year.</li> <li>» Submission deadline: Upon request, within 14 days; the information must be filed along with the annual CIT return.</li> <li>» Duty of notification: On a separate form along with the CIT return.</li> <li>» Language: The documentation must be filed in a local language.</li> <li>» Penalties: Failure to submit the documentation along with the Corporate Income Tax Return results in a penalty of IDR 1 million.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year. The CbCR must be submitted to the DGT along with the annual CIT return.</li> <li>» Threshold: IDR 11 trillion (equivalent to EUR 750 million)</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: The CbCR must be submitted 12 months after the end of the fiscal year.</li> <li>» Language: The CbCR must be filed in a local language.</li> <li>» Penalties: Failure to submit along with the Corporate Income Tax Return results in a penalty of IDR 1 million.</li> <li>» Indonesia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



## Implementation BEPS Action 13

### Iran

MASTER FILE	LOCAL FILE	CBCR
<p>» The Iranian legislation does not contain any corresponding specific transfer pricing regulations. However, the common understanding is that the arm's length principle should be observed at all times.</p>		





# Implementation BEPS Action 13

## Ireland



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» The Irish Government has launched a public consultation on whether to incorporate the Master File concept in the Irish law.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Thresholds: The transfer pricing rules and documentation requirements do not apply to small or medium-sized enterprises (“the SME Exemption”).</li> <li>» In order to fall within the SME exemption the enterprise must have:                                     <ul style="list-style-type: none"> <li>» Less than 250 employees; and either</li> <li>» a revenue not exceeding EUR 50 million; or</li> <li>» total assets not exceeding EUR 43 million.</li> </ul> </li> <li>» Deadline for the preparation and submission: No domestic law governing the preparation and submission of the transfer pricing documentation. However, every entity must prepare adequate documentation, have it in place for audit purposes and submit it to the tax authorities upon request in timely manner (the term „in a timely manner” has not been defined but the tax authorities would typically allow 60-90 days, depending on the circumstances).</li> <li>» Penalties: No penalty will be imposed if the documentation has not been prepared. Nevertheless, more detailed audits and closer examinations of the transfer pricing methods applied must be expected. Also the risk of a complete audit is more probable.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Ultimate parent entity is located in Ireland and it generated an annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Deadline for the preparation and submission: Within 12 months after the end of the reporting fiscal year.</li> <li>» Surrogate Filing: Has been implemented.</li> <li>» Secondary Filing: Has been implemented.</li> <li>» Duty of notification: Yes, before the end of the reporting fiscal year.</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» A penalty of EUR 4,000 for non-submission of the CbCR;</li> <li>» No penalties for non-submission of the notification.</li> </ul> </li> <li>» Ireland is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).</li> <li>» OECD’s XML format for submission has been implemented.</li> </ul>
		<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>



# Implementation BEPS Action 13

## Italy



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented.</li> <li>» An implementation is not expected yet.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Thresholds: No</li> <li>» Deadline for the preparation: No (but, in principle, recommended due to “Penalty Protection”).</li> <li>» Submission deadline: Within 10 days after the request by the Italian Fiscal Authority.</li> <li>» Duty of notification: Yes, along with the annual tax return.</li> <li>» Language: The Local File must be filed in Italian. The attachments to the Local File and the Master File can, in principle, be filed in English.</li> <li>» Penalties: Non-fulfilment results in a penalty ranging between 90% and 180% of the excessive assessment.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented by the decree dated 23. February 2017 for FYs starting from 2016.</li> <li>» Threshold: An annual consolidated group revenue must be at least EUR 750 million in the year preceding the reporting year.</li> <li>» Submission deadline: Within 12 months after the end of the fiscal year for which the CbCR must be prepared.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Along with the annual tax return (this applies to Italian parent company and to Italian subsidiaries).</li> <li>» Penalties: From EUR 10,000 to EUR 50,000 per company.</li> <li>» Italy is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).</li> <li>» OECD’s XML format has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		

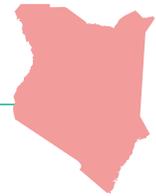


# Implementation BEPS Action 13

## Kazakhstan



MASTER FILE	LOCAL FILE	CBCR
<p>» The current legislation contains only framework provisions regarding the Master File and the Local File. The implementation of the entire Master File concept (including the forms of reporting) will be effective from 1 January 2019.</p>		<p>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</p>
<p>» Requirements / thresholds:</p> <ul style="list-style-type: none"> <li>» Ultimate parent of a MNE, subsidiary, consolidated entity of a MNE, MNE's permanent establishment has carried out international transactions (cross-border operations with non-residents);</li> <li>» The group generated an annual consolidated group revenue in the previous fiscal year (based on the consolidated financial statements of the group) of at least KZT 295,275,000,000 (EUR 750 million) or the amount specified in the jurisdiction of a non-resident parent of a MNE.</li> </ul> <p>» Submission deadline: Within 12 months after receiving a request from the State Revenue Committee of the Ministry of Finance (hereinafter referred to as "Tax Committee").</p>	<p>» Requirements / thresholds:</p> <ul style="list-style-type: none"> <li>» Reporting parent of a MNE, subsidiary, consolidated entity of a MNE, or MNE's permanent establishment resident in Kazakhstan has carried out international transactions (cross-border operations with non-residents);</li> <li>» Annual revenue of the reporting parent of a MNE, subsidiary, consolidated entity of a MNE or permanent establishment is not less than KZT 12,025,000,000 (approx. EUR 30,543,561) in the previous fiscal year.</li> </ul> <p>» Submission deadline for the Local File: Within 12 months after the end of the previous reporting fiscal year.</p>	<p>» Requirements / thresholds: The group generated an annual consolidated group revenue in the previous fiscal year (based on the consolidated financial statements of the group) of at least EUR 750 million (KZT 295,275,000,000 ) or the amount specified in the jurisdiction of non-resident parent of a MNE.</p> <p>» Submission deadline: The CbCR must be provided within 12 months after the end of the reporting fiscal year in the form determined by the Tax Committee.</p> <p>» Surrogate filing: Has been implemented.</p> <p>» Secondary filing: Has been implemented.</p> <p>» Penalties: Up to KZT 1,803,750 (approx. EUR 4,500).</p> <p>» Duty of notification: No later than 1 September of the year following the reporting fiscal year.</p>
<p>» Language: Russian or Kazakh</p> <p>» Penalties: Non-submission may result in a fine of up to EUR 2,150. In the case of repeated breach of obligations, the fine may increase up to EUR 4,500. The amount depends on the entity's size, revenue and number of employees.</p>		<p>» Kazakhstan is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</p> <p>» OECD's XML format for submission has not been implemented yet.</p>
<p><b>Effective in Law as from 1 January 2019</b></p>		<p><b>Effective in Law for Fiscal Years as from 1 January 2016</b></p>



# Implementation BEPS Action 13

## Kenya



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented in Kenya yet.</li> <li>» It is anticipated that the KRA (Kenya Revenue Authority) will implement the Master File concept soon.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Thresholds: There is no revenue threshold with regard to the TP documentation. Also small and medium-sized enterprises must adhere to the applicable TP documentation rules.</li> <li>» Deadline for the preparation: The deadline for preparing a documentation is the same as the deadline for filing the tax return (i.e. within 6 months after year-end).</li> <li>» Submission deadline: The required documentation must be submitted to the KRA upon request.</li> <li>» Duty of notification: Taxpayers are required to disclose their related-party transactions when filing the annual corporation tax return with the KRA. Taxpayers are also required to notify the KRA on any changes in the group structure, related-party transactions and update their TP policy accordingly.</li> <li>» Language: The books of accounts and other documents shall be prepared in or translated into English.</li> <li>» Penalties: There is no specific penalty for non-submission of the Transfer Pricing documentation. However, a general penalty may be imposed for the breach of the statutory duty to keep the accounting records. The penalty is 10% of the amount of tax payable or at least KES 100,000.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The implementation of the CbCR according to BEPS Action 13 is expected.</li> <li>» Kenya is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>



# Implementation BEPS Action 13

## Latvia

MASTER FILE	LOCAL FILE	CBCR
<p>» The implementation of the Master File concept according to BEPS Action 13 is expected.</p> <p>» Thresholds:</p> <ul style="list-style-type: none"> <li>» The Master File must be submitted if transactions with related parties are equal to or exceed EUR 15 million; or</li> <li>» Revenue of the company is equal to or exceeds EUR 50 million and the value of transactions with related parties is equal to or exceeds EUR 5 million.</li> <li>» If the revenue of the company is below EUR 50 million and the value of transactions with related parties exceeds EUR 5 million but is below EUR 15 million, the Master File must be submitted within one month after receiving a request.</li> </ul> <p>» Submission deadline: 12 months after the fiscal year-end.</p> <p>» Language: English language is allowed, nevertheless a translation into Latvian may be requested.</p>	<p>» Thresholds:</p> <ul style="list-style-type: none"> <li>» Transactions with related parties exceeding EUR 5 million;</li> <li>» If transactions with related parties exceed EUR 250 thousand but are below EUR 5 million, the Local File must be submitted within one month after receiving a request.</li> </ul> <p>» Submission deadline: 12 months after the end of the fiscal year.</p> <p>» Language: Latvian</p> <p>» Local documentation requirements:</p> <ul style="list-style-type: none"> <li>» In line with Latvia's local documentation requirements, the documentation must be submitted within a month after receiving a request from the tax authority.</li> </ul>	<p>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</p> <p>» Threshold: Annual consolidated group revenue of minimum EUR 750 million.</p> <p>» Submission deadline: Within 12 months after the end of the fiscal year.</p> <p>» Language: Latvian</p> <p>» Surrogate filing: Has been implemented.</p> <p>» Secondary filing: Has been implemented.</p> <p>» Duty of notification: Until the last day of the reporting year.</p> <p>» Penalties:</p> <ul style="list-style-type: none"> <li>» For late submission EUR 15;</li> <li>» If not submitted after repeated request: Up to EUR 700.</li> </ul> <p>» Latvia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</p> <p>» OECD's XML format for submission has not been implemented.</p>
<p>Penalties: 1% - 1.5% of the value of controlled transactions, depending on whether the Master File or Local File has not been submitted or the requirements have not been met.</p>		
<p><b>Planned to be effective for fiscal years as from 1 January 2018</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>



# Implementation BEPS Action 13

## Liechtenstein



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» The implementation of the Master File concept is formally regulated by the section 31 et sqq. SteV and is based on the OECD TP Guidelines.</li> <li>» Thresholds:                             <ul style="list-style-type: none"> <li>» Taxpayer with a consolidated revenue exceeding CHF 900 million; and</li> <li>» Member of a MNE group (participation of at least 25%);</li> <li>» Transactions concerning the purchase and sale of goods of CHF 1 million, or all other income and expenses of CHF 250,000 (sec. 31b (1) et sqq. SteV).</li> </ul> </li> <li>» Submission deadline: Upon request of the tax authority, within 60 days.</li> <li>» Language: The documentation may be prepared in German or English.</li> <li>» Duty of notification: No</li> <li>» Non-compliance with the assessment proceedings (LVG article 152 et sqq.) may result in a penalty of up to CHF 1,000 or, in severe cases, up to CHF 10,000.</li> <li>» Liechtenstein has also implemented documentation obligations for entities which are not part of a MNE group but exceed the size criteria according to Article 1064 (2) PGR.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2017.</li> <li>» Threshold: Annual consolidated group revenue of at least CHF 900 million (CbC law sec. 2 sub-sec. 2c).</li> <li>» Duty of notification: Until the end of the fiscal year (CbC law sec. 7).</li> <li>» Submission deadline:                             <ul style="list-style-type: none"> <li>» Within 12 months after the end of the reporting fiscal year (CbC law sec. 6 sub-sec. 4);</li> <li>» A Liechtenstein-based ultimate holding company may voluntarily submit the CbCR before 2017 (CbC law sec. 29).</li> </ul> </li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Penalties: Up to CHF 250,000 for intentional breach of notification or reporting requirements and up to CHF 100,000 for negligent breach of duties (CbC law section 20).</li> <li>» Liechtenstein is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2018</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>



# Implementation BEPS Action 13

## Lithuania

MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» As Lithuania participates in the Inclusive Framework to collaborate on the implementation of the OECD / G20 Base Erosion and Profit Shifting (BEPS) Package with its members, the Lithuanian tax authority's recommendation is to follow the OECD documentation guidelines.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Thresholds: Annual revenue of at least EUR 2,896,200.</li> <li>» Deadline for the preparation: No</li> <li>» Submission deadline: Within 30 days after receiving a request from the tax authorities .</li> <li>» Duty of notification: No</li> <li>» Language: Lithuanian, but the documentation in English is usually accepted in practice.</li> <li>» Penalties: EUR 1,400 – EUR 5,800</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the preceding year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year. The submission deadline for the first fiscal year was extended to 31 March 2018.</li> <li>» Language: The CbCR must be prepared in the Lithuanian language.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: By the end of the fiscal year.</li> <li>» Penalties: Up to EUR 300 for non-compliance with the CbCR and notification requirements; in the case of repeated infringements, a penalty may increase up to EUR 600.</li> <li>» Lithuania is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years from 1 January 2016</b></p>		





# Implementation BEPS Action 13

## Malaysia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Requirements / thresholds for preparing the Local File:                             <ul style="list-style-type: none"> <li>» Entities with a gross income exceeding MYR 25 million and a total volume of related-party transactions exceeding MYR 15 million;</li> <li>» The volume of financial assistance exceeds MYR 50 million (financial institutions are excluded).</li> </ul> </li> <li>» If the thresholds are not exceeded, the taxpayer may elect to prepare an “abridged” transfer pricing documentation.</li> <li>» Deadline for the preparation: The Local File must be prepared along with the filing of the annual tax return. The Master File should be prepared at the parent’s level.</li> <li>» Submission deadline: The Master File and the Local File are not required to be submitted along with the tax return. However, they should be made available within 30 days upon request by the tax authorities.</li> <li>» Duty of notification: Taxpayers are required to indicate in the tax return, i.e. tick the appropriate box, whether the transfer pricing documentation has been prepared with effect from the fiscal year 2014.</li> <li>» Language: English or Bahasa Malaysia.</li> <li>» Penalties: Under the transfer pricing audit system, the tax authorities introduced a penalty regime for, among others, non-disclosure and omission of information on transfer pricing issues affecting taxpayer’s tax liability. The penalty rate may range between 10 % and 100% of back taxes. Repeated offences result in an additional penalty at the rate of 20 % for each repeated offence. However, the rate may not exceed 100 %.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR has been implemented for FYs starting from 2017.</li> <li>» Threshold: The CbCR applies to multinationals headquartered in Malaysia with an annual consolidated group revenue of MYR 3 billion in the preceding fiscal year.</li> <li>» Deadline for the preparation and submission: The CbCR should be filed with the tax authorities within 12 months after the end of the fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has not been implemented.</li> <li>» Duty of notification: The local subsidiary / entity of the group must notify the tax authorities in writing by the end of the fiscal year.</li> <li>» Penalties: Penalty rates range between MYR 20,000 and MYR 100,000.</li> <li>» Language: English or Bahasa Malaysia</li> <li>» Malaysia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).</li> <li>» OECD’s XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>



# Implementation BEPS Action 13

## Mexico



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» Mexican companies with a revenue of at least MXN 708,898,920 in the previous year (for 2017);</li> <li>» Entities whose shares are listed on the stock exchange;</li> <li>» Companies being members of the optional tax regime for company groups; or</li> <li>» PE's of foreign residents.</li> </ul> </li> <li>» Deadline for the preparation and submission:                             <ul style="list-style-type: none"> <li>» If the fiscal year ends in the months between June and December, no later than by 31 December of the following year;</li> <li>» If the fiscal year ends in the months between January and May, no later than by the end of the corresponding month of the following year.</li> </ul> </li> <li>» Duty of notification: No</li> <li>» Language: The Master File may be filed in English or Spanish. The Local File must be prepared in Spanish.</li> <li>» Penalties: Ranging between MXN 154,800 and MXN 220,400 for failure to submit the Master File or for submission of an incomplete Master File, i.e. a Master File containing incorrect or incomplete information.</li> <li>» Mexican companies executing related-party transactions are additionally required to file a multiple information return (DIM) until 31 March of the following year, or if the companies elect to file the statutory tax return (by a tax consultant), the deadline may be extended to mid-July.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has already been implemented.</li> <li>» Requirements: Annual consolidated group revenue in the previous year amounts to at least MXN 12 billion.</li> <li>» Submission deadline: 31 December of the following year; except for the companies whose FY does not correspond to the calendar year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Notification duty: No</li> <li>» Languages: The CbCR must be filed in Spanish.</li> <li>» Penalties: From MXN 154,800 to MXN 220,400 for non-submission of the CbCR or filing an incomplete CbCR, i.e. a CbCR containing incorrect or incomplete information.</li> <li>» Mexico is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbC Reports (the "CbC MCAA").</li> <li>» OECD's XML format for submission has not been implemented. The CbCR must be filed through the application available at the tax authorities' website.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## Netherlands



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Thresholds: The Master File and the Local File apply to MNEs with annual consolidated group revenue of at least EUR 50 million.</li> <li>» Deadline for the preparation and submission:                             <ul style="list-style-type: none"> <li>» No active filing required. The document should be prepared by the taxpayer before the deadline for filing the CIT-return, i.e. five months after the end of the FY. The deadline for the preparation may be extended by additional eleven months (5+11);</li> <li>» No submission required. In the case of a tax audit, the documentation should be provided immediately. In practice, a period of approx. 4 weeks is accepted.</li> </ul> </li> <li>» Duty of notification: No</li> <li>» Language: English or Dutch</li> <li>» Penalties: If the documentation is not available during a tax audit, the burden of proof shifts from the tax inspector to the taxpayer. In the case of misconduct a penalty of up to 25 % and in the case of fraud - of up to 50 % may be imposed on the adjusted amount.</li> <li>» Regulations on the local transfer pricing documentation must be applied in addition to the obligations arising from BEPS Action 13. In the case of a consolidated group revenue below EUR 50 million, the standard local transfer pricing documentation must be prepared.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Ultimate parent company of a multinational group with an annual group revenue of at least EUR 750 million in the previous year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification:                             <ul style="list-style-type: none"> <li>» Usually before the end of the fiscal year;</li> <li>» Notification via electronic portal;</li> <li>» Violations against the notification obligation are subject to the same penalties as listed below.</li> </ul> </li> <li>» Language: English or Dutch</li> <li>» Penalties: Fines up to EUR 830,000 (as of 1st January 2018) or up to 4 years imprisonment, and additionally a shift of the burden of proof in all cases.</li> <li>» Netherlands is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## Philippines



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» The Philippines is currently undergoing a major tax reform. Therefore, it is not expected that the BEPS Actions will be implemented in the near future.</li> <li>» However, the Philippines generally adheres to the rules set by the OECD.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Since 2013, the Philippine Transfer Pricing Guidelines have been applicable in the Philippines after they were laid down in the Revenue Regulation No. 2-2013 dated 23 January 2013. The regulation gives the Commissioner of Internal Revenue extensive powers to review controlled transactions among associated enterprises and to allocate or distribute their income and tax deductions in line with the arm's length principle.</li> <li>» After the general TP-regulations were implemented in 2013, the Bureau of Internal Revenue (BIR) has not updated the legislative or administrative framework.</li> <li>» Deadline for the preparation and submission: The BIR does not require transfer pricing documents to be submitted along with the tax returns. However, such documents should be kept on file (for approx. 3 years) by the taxpayers and submitted to BIR upon request.</li> <li>» Penalties: The provisions of the Tax Code and other applicable laws regarding the imposition of penalties and other appropriate sanctions shall be applied to any person who fails to comply with or violates the provisions and requirements of the transfer pricing regulations.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS action 13 has not been implemented yet.</li> <li>» Philippines is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>



# Implementation BEPS Action 13

## Poland



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Thresholds: Previous year's revenues or expenses of the taxpayer exceeded EUR 20 million.</li> <li>» Deadline for the preparation: By the deadline for filing an annual tax return by the associated enterprise which has prepared the information on the associated group (i.e. Master File). No submission along with the Polish annual tax return, which must be filed until the end of the third month of the following fiscal year. For fiscal years 2017 and 2018, extension of the deadline until the ninth month of the following fiscal year.</li> <li>» Submission deadline: Within 7 days after receiving a request from the tax authorities.</li> <li>» Duty of notification: No</li> <li>» Language: Polish</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» No or incorrect documentation: A penalty rate of 50% of the difference between the income declared by the taxpayer and the income assessed by the tax authorities;</li> <li>» Sanctions under the Penal Fiscal Code possible (e.g. for management board members, persons in charge of accounting / tax returns).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» Previous tax year's revenues or expenses of the taxpayer exceeded EUR 2 million (obligation to prepare the Local File for two consecutive years);</li> <li>» Materiality of the transaction or another operation (the minimum threshold of EUR 50,000, the threshold increases depending on the entity's revenue level);</li> <li>» Receivables paid to entities located in a tax haven of more than EUR 20,000.</li> </ul> </li> <li>» Deadline for the preparation: Identical as the deadline for the Master File.</li> <li>» Submission deadline: Upon request by the tax authorities:                             <ul style="list-style-type: none"> <li>» 7 days – for material transactions;</li> <li>» 30 days – for immaterial transactions indicated by the inspectors.</li> </ul> </li> <li>» Duty of notification: As part of the Polish annual tax return in form of a written statement.</li> <li>» Language: Polish</li> <li>» Penalties: See Master File.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016 or 2017.</li> <li>» Applies to the ultimate parent entity of a MNE group with tax residency in Poland (as from 1 January 2016) or MNEs with a subsidiary or PE in Poland for CIT purposes (as from 1 January 2017).</li> <li>» Threshold: Annual consolidated group revenue exceeds EUR 750 million in the fiscal year concerned.</li> <li>» Submission deadline: Generally within 12 months of the end of the reporting fiscal year.</li> <li>» Language: Not yet specified.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Penalty: Up to PLN 1,000,000.</li> <li>» Duty of notification: Until the end of the reporting fiscal year (In the first year of implementation – 10 months after the end of the reporting fiscal year).</li> <li>» Poland is signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR („CbC MCAA”).</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2016 or 1 January 2017</b></p>



# Implementation BEPS Action 13

## Portugal



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Since 2002, Portugal has in place a local concept similar to the OECD Master File concept.</li> <li>» Thresholds: Taxpayers with net sales and operating income exceeding EUR 3 million in the previous year must prepare a documentation in a timely manner.</li> <li>» Deadline for the preparation: Documentation must be prepared by the 15th day of the seventh month of following the fiscal year.</li> <li>» Submission deadline: Documentation must be submitted upon request by the tax authority. As a rule, within 10 days after receiving a request.</li> <li>» Duty of notification: Each year taxpayers must submit a Declaration of Tax and Accounting Information (IES), which contains information about the related entities and associated transactions, the value of each controlled transaction and availability of the documentation.</li> <li>» Language: Portuguese; Documents in a foreign language may be accepted, provided that the taxpayer seeks prior approval from the tax authorities.</li> <li>» Penalties: Penalties ranging between EUR 500 to EUR 10,000 will be imposed for failure to comply with the documentation requirements, plus a 5% surcharge per each day of the delay. Other general penalties may apply in the case of refusal to provide information. Furthermore, income tax adjustments and compensatory interests may apply.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: MNEs with annual consolidated group revenue equal to or exceeding EUR 750 million in the previous year. This threshold also applies to subsidiaries under certain conditions.</li> <li>» The CbCR must be filed electronically, using the form 55, no later than 12 months after the end of the fiscal year of a MNE.</li> <li>» Language: Portuguese</li> <li>» Surrogate filling: Has been implemented.</li> <li>» Secondary filling: Has been implemented.</li> <li>» Duty of notification: Taxpayers must notify (form 54) the Tax Authority by the last day of the fifth month of the following fiscal year.</li> <li>» Penalties: A penalty ranging between EUR 500 and EUR 10,000 plus a 5% surcharge per each day of the delay will be imposed for failure to provide the CbCR or to file a notification.</li> <li>» Portugal is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR („CbC MCAA“).</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## Romania



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Large companies (based on the classification by the tax authorities) whose transactions with affiliates exceed the following thresholds:                                     <ul style="list-style-type: none"> <li>» EUR 200,000 for interests paid / received;</li> <li>» EUR 250,000 for services acquired / delivered;</li> <li>» EUR 350,000 for transactions in goods received / delivered;   <ul style="list-style-type: none"> <li>must submit a documentation annually, within 10 days of the statutory deadline for filing the annual tax return.</li> </ul> </li> </ul> </li> <li>» Large, medium and small companies whose transactions with affiliates exceed the following thresholds:                                     <ul style="list-style-type: none"> <li>» EUR 50,000 for interests paid / received;</li> <li>» EUR 50,000 for services acquired / delivered;</li> <li>» EUR 100,000 for transactions in goods received / delivered;   <ul style="list-style-type: none"> <li>must submit a documentation upon request of the tax authorities as part of a tax audit, within 30-60 days. It is possible to extend this deadline for up to 30 days.</li> </ul> </li> </ul> </li> <li>» Language: Romanian</li> <li>» Duty of notification: No</li> <li>» Penalties: Fine of EUR 2,500 – EUR 3,100 (RON 12,000 – RON 14,000)</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Annual group revenue exceeding EUR 750 million.</li> <li>» Submission deadline: Within 12 months after the fiscal year-end, but at the latest by the deadline for submitting the income tax return for the previous fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary Filing: Has been implemented.</li> <li>» Duty of notification: Until the end of the reporting year of a MNE, but by the deadline for submitting the income tax return for the previous fiscal year.</li> <li>» Language: Romanian and other official EU languages.</li> <li>» Penalties: Late submission, non-submission or submission of incomplete CbCR results in a penalty ranging from EUR 6,500 up to EUR 22,000 (RON 30,000 – RON 100,000).</li> <li>» Romania is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		

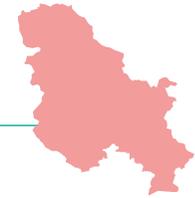


# Implementation BEPS Action 13

## Russia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File according to BEPS Action 13 has been implemented.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» Residents – annual consolidated group revenue of at least RUB 50 billion for the period prior to the reporting fiscal year;</li> <li>» Non-residents – in accordance with the local thresholds of the holding company jurisdiction.</li> </ul> </li> <li>» Submission deadline: Within 3 months after receiving a request from the tax authorities, but not earlier than 12 months after reporting fiscal year-end.</li> <li>» The Master File may be filed with the tax authority in electronic form and may be compiled in any form in accordance with the legal requirements.</li> <li>» The Master File is filed only by the holding company or an entity authorized by the holding company.</li> <li>» Duty of notification: Notification must be filed within 8 months after the end of the reporting fiscal year.</li> <li>» Language: In Russian with indication of costs in RUB.</li> <li>» Penalties: A fine of RUB 100,000 will be imposed for failure to submit the Master File or for submitting the Master File containing inaccurate information (penalties are not applicable for 2017-2019).</li> </ul>	<ul style="list-style-type: none"> <li>» Local File requirements were introduced in 2012 and are already to a large extent in line with BEPS Action 13.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» If both parties are Russian residents – transactions exceeding RUB 1 billion;</li> <li>» If at least one party to a contract is not a Russian resident – all transactions.</li> </ul> </li> <li>» Submission deadline: Within 30 days after receiving a request, with the possibility to extend the deadline for additional 30 days. Documentation must be provided upon request by the tax authorities, but not earlier than 1 June of the year following the reporting period.</li> <li>» The Local File may be filed with the tax authority in electronic form and may be compiled in any form in accordance with the legal requirements.</li> <li>» Duty of notification: Notification must be filed until 20 May.</li> <li>» Language: In Russian, with numerical data in RUB currency.</li> <li>» Penalties: A fine of 40% of the amount of unpaid tax, but not less than RUB 30,000.</li> </ul>	<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2018.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» Residents – annual consolidated group revenue of at least RUB 50 billion for the period prior to the reporting fiscal year;</li> <li>» Non-residents – in accordance with the local thresholds of holding company jurisdiction.</li> </ul> </li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Duty of notification: Notification must be filed within 8 months after the end of the reporting fiscal year.</li> <li>» Language: In Russian with numerical data in RUB currency.</li> <li>» Surrogate Filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Penalties: A fine of RUB 50,000 will be imposed for failure to submit the notification or for submitting the notification containing inaccurate information; A fine of RUB 100,000 will be imposed for failure to submit the report or for submitting the report containing inaccurate information (penalties are not applicable for 2017-2019).</li> <li>» Russia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» The CBCR is to be filed with the tax authority electronically. Final version of the report format has not been accepted yet, but the preliminary version is compliant with the OECD's XML format for submission.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>	<p><b>Effective in Law for fiscal years as from 1 January 2018</b></p>	<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>



# Implementation BEPS Action 13

## Serbia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The implementation of the Master File concept according to BEPS Action 13 is expected.</li> <li>» No bill for such implementation has been drafted to date.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Thresholds: Transactions with related entities exceeding, in total, the volume of RSD 8,000,000 (approx. EUR 66.000).</li> <li>» Deadline for the preparation: The documentation must be prepared until 29 June.</li> <li>» Submission deadline: The taxpayer must submit the documentation until 29 June.</li> <li>» Duty of notification: No</li> <li>» Language: Serbia accepts only documents in the Serbian language.</li> <li>» Penalties: The tax authorities will request additional information from the taxpayer. In the case of taxpayer's failure to respond within 30 days, penalties ranging between RSD 100,000 – RSD 2,000,000 will be imposed.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The implementation of the CbCR according to BEPS Action 13 is expected.</li> <li>» Serbia is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>



# Implementation BEPS Action 13

## Singapore



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Sec. 34F of the Singapore Income Tax Act outlines the comprehensive requirements for the preparation of the TP documentation.</li> <li>» Preparation deadline: The same as the deadline for filing the tax return.</li> <li>» Submission deadline: Within 30 days upon IRAS' request, no submission along with the tax return is required.</li> <li>» Notification: A separate form must be completed and submitted along with the tax return if the value of related-party transactions exceeded SGD 15 million.</li> <li>» Language: TP documentation must be prepared in English.</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» A surcharge of 5 % for transfer pricing adjustments, regardless of whether the adjustment is taxable or not.</li> <li>» Penalties of SGD 10,000 may be imposed for:                                     <ul style="list-style-type: none"> <li>» Failure to prepare the TP documentation by the deadline for submitting the tax return;</li> <li>» Failure to prepare the TP documentation in accordance with the TP documentation rules;</li> <li>» Failure to keep the TP documentation on file for a period of 5 years;</li> <li>» Failure to submit the TP documentation within 30 days upon IRAS' request; and</li> <li>» Providing false or misleading information to the IRAS.</li> </ul> </li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2017.</li> <li>» Requirements / thresholds:                             <ul style="list-style-type: none"> <li>» The MNE group is a Singapore-based MNE group;</li> <li>» The consolidated group revenue was at least SGD 1,125 million in the preceding fiscal year; and</li> <li>» The MNE group has subsidiaries or operations in at least one foreign jurisdiction.</li> </ul> </li> <li>» Submission deadline: Within 12 months after the end of the fiscal year.</li> <li>» Surrogate filing: Has not been implemented.</li> <li>» Secondary filing: Has not been implemented.</li> <li>» Duty of notification: No</li> <li>» Languages: The CbCR must be submitted in English.</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» Late submission or failure to submit the CbCR (a fine of up to SGD 1,000 and imprisonment for up to 6 months);</li> <li>» The CbCR containing false / misleading information (a fine of up to SGD 10,000 and imprisonment for up to 2 years).</li> </ul> </li> <li>» Singapore is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 23 February 2018</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>

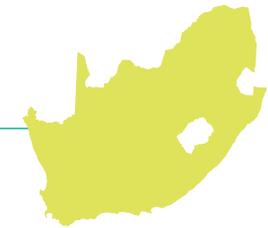


# Implementation BEPS Action 13

## Slovakia



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The implementation of the Master File concept according to BEPS Action 13 is expected.</li> <li>» The documentation requirements are laid down in the national regulations. Those requirements are - to a certain degree - compliant with the BEPS Action 13.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Thresholds: No</li> <li>» 3 types of documentation:                                     <ul style="list-style-type: none"> <li>» Short documentation: For micro-entities with net revenues of up to EUR 700,000, net assets of up to EUR 350,000 and max. 10 employees;</li> <li>» Full documentation: For entities obliged to prepare a balance sheet in line with IFRS, entities with a loss carried forward of more than EUR 300,000 per year or of EUR 400,000 in two years;</li> <li>» Basic documentation: For all other entities.</li> </ul> </li> <li>» Deadline for the preparation: No official deadline, usually within the deadline for the submission of the tax return.</li> <li>» Submission deadline: Within 15 days after receiving a request from the tax authority.</li> <li>» Language: Documentations in English are accepted, but an approval of the tax administrator or the financial directorate is necessary.</li> <li>» Penalties: Fines of up EUR 3,000 in the case of non-compliance.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016 or 2017 (Act No. 442 / 2012 Coll).</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Legal effectiveness:                             <ul style="list-style-type: none"> <li>» Fiscal years as from 1 January 2016 for ultimate parent entities with tax residency in Slovakia;</li> <li>» As from 1 January 2017 for subsidiaries with tax residency in Slovakia (if the reporting duty was delegated to those entities).</li> </ul> </li> <li>» Submission deadline: Within 12 months after the end of the fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Within the deadline for filing the tax return (separate form).</li> <li>» Penalties:                             <ul style="list-style-type: none"> <li>» In the case of non-compliance of the CbCR (a fine of up to EUR 10,000);</li> <li>» In the case of a breach of the duty of notification (a fine of up to EUR 3,000).</li> </ul> </li> <li>» Slovakia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» XML format for submission is based on OECD's XML format.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016 or 1 January 2017</b></p>		



# Implementation BEPS Action 13

## South Africa



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» Additional transfer pricing documentation requirements, which are based on the Local and the Master File concept, have been implemented for multinationals.</li> <li>» However, those requirements apply only if the value of all cross-border transactions exceeds ZAR 100 million Rand in the year of assessment (Master File) and or if the value of the transaction in question exceeds ZAR 5 million Rand (Local File).</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Requirement: Annual consolidated group revenue of at least ZAR 10 billion Rand or EUR 750 million Euro in the previous fiscal year.</li> <li>» Deadline for the preparation or submission of the CbCR: Within 12 months after the end of the reporting fiscal year of the MNE.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification:                             <ul style="list-style-type: none"> <li>» Any Constituent Entity of an MNE group that is resident for tax purposes in South Africa must notify SARS no later than 12 months after the end of the reporting fiscal year of such a MNE about whether it is the Ultimate Parent Entity or the Surrogate Parent Entity;</li> <li>» Where the Constituent Entity is neither the Ultimate Parent Entity nor the Surrogate Parent Entity, it must notify SARS of the identity and tax residence of the Reporting Entity, no later than 12 months after the end of the reporting fiscal year of such a MNE group.</li> </ul> </li> <li>» Languages: The CbCR must be filed in English.</li> <li>» Penalties: Not specified yet, but general penalty rules apply (in accordance with the Tax Administration Act).</li> <li>» South Africa is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbC Reports (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## Spain



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept has been partially implemented pursuant to BEPS Action 13. However, some local requirements differ from those established by the OECD. The new regulations have replaced the previous local requirements.</li> <li>» Thresholds: Annual consolidated group revenue of at least EUR 45 million as from the fiscal year 2016 and the total volume of all intercompany transactions between the same two related parties exceeding the amount of EUR 250,000 in a fiscal year.</li> <li>» Deadline for the preparation: Within 6 months and 25 days after the end of the fiscal year.</li> <li>» Submission deadline: Upon request of the tax authority; either immediately or at a date specified by the tax authority.</li> <li>» Duty of notification: Information on related-party transactions must be notified using the Tax Form 232 (Modelo 232) and submitted 11 months after the end of the fiscal year for all fiscal years beginning as from 1 January 2016.</li> <li>» Language: The Master File and the Local File may be submitted in English. However, a translation may be requested by the tax authority.</li> <li>» Penalties:                         <ul style="list-style-type: none"> <li>» A penalty of EUR 1,000 / per data unit and EUR 10,000 / per data set may be imposed for incomplete documentation (non-submission, incomplete submission or submission containing inaccurate information). The said penalty is limited to the lower of 10% of all transactions or 1% of the revenue;</li> <li>» In the case of TP adjustments with incomplete documentation, a penalty of 15% of the adjusted amount will be imposed.</li> </ul> </li> <li>» Starting from the fiscal year 2014, Spain has introduced simplified documentation requirements for entities belonging to groups of companies with annual revenue below EUR 45 million.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: All Spanish resident entities or PEs being part of a group with a revenue exceeding EUR 750 million must file a notification before the end of each fiscal year. A special tax form is available for this purpose.</li> <li>» Penalties: No specific penalties. However, non-submission or submission of inaccurate data will be sanctioned pursuant to the General Tax Law.</li> <li>» Language: Spanish</li> <li>» Spain is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2016 (partly as of 2015)</b></p>		



# Implementation BEPS Action 13

## Sweden



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been implemented.</li> <li>» Requirements (consolidated on a group level):                             <ul style="list-style-type: none"> <li>» &gt; 250 employees; and</li> <li>» &gt; SEK 450 million revenue or &gt; SEK 400 million balance sheet total;</li> <li>» Both conditions must be fulfilled in the preceding fiscal year under review;</li> <li>» Regarding the Local File: Immaterial transactions with a volume of less than SEK 5 million do not require documentation.</li> </ul> </li> <li>» Deadline for the preparation: Deadline for filing of the corporate income tax return (depending on a given fiscal year, but generally 1 July). Filing of the Master File is not obligatory. The Master File should be submitted to the Swedish Tax Agency upon its request (therefore, no deadline for submission).</li> <li>» Submission deadline: Upon request; according to the legislation within a reasonable period of time, but as a rule within 30 days.</li> <li>» Duty of notification: No duty of notification has been determined in the legislation currently in force, but further instructions are to be issued by the Swedish Tax Agency.</li> <li>» Language: The Master File and the Local File may be filed in Swedish, Danish, English or Norwegian.</li> <li>» Penalties: Sanction for non-submission. Tax surcharges of 40% of the tax amount based on the corporate income tax return.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Requirements: Ultimate parent companies of multinational groups; Swedish subsidiaries if the parent company is required to file the CbCR.</li> <li>» Threshold: Annual consolidated group revenue of at least SEK 7 billion in the previous year.</li> <li>» Submission deadline: 12 months after the end of the fiscal year.</li> <li>» The CbCR can be filed in Swedish, Danish, English or Norwegian, whereas English is recommended.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification:                             <ul style="list-style-type: none"> <li>» Yes, before the end of the fiscal year;</li> <li>» Notification must be filed individually by each Swedish entity being part of the group;</li> <li>» Notification may be filed in Swedish or English.</li> </ul> </li> <li>» Penalties: Special sanctions for non-submission of the report have not been specified yet. Therefore, general rules regarding fines for non-compliance apply instead.</li> <li>» Sweden is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2017</b></p>		<p><b>Effective in Law for fiscal years as from 1 January 2016</b></p>



# Implementation BEPS Action 13

## Switzerland



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» Switzerland has currently shown the intention to implement the Master File concept.</li> <li>» The Master File concept will most likely not be incorporated in the domestic law. Instead, a general reference to the OECD Transfer Pricing Guidelines will be made in a circular letter. No further information is currently available regarding this issue.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» No threshold and submission deadlines have been determined. Cost-benefit analyses are used for reference on a case-by-case basis. Consequently, this involves a margin of discretion.</li> <li>» The usual due dates for regular assessment procedures must be observed (as a rule, within 30 days). An extension of this deadline is possible.</li> <li>» Duty of notification: No</li> <li>» Language: The Master File and / or the Local File in a foreign language (esp. English) are generally accepted by the Swiss tax authorities, although a translation into an official national language (German, Italian, French) may be required.</li> <li>» Penalties: Non-compliance with the assessment proceedings (according to sec. 174 DBG) may result in a penalty of up to CHF 1,000, or in severe cases of up to CHF 10,000.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2018 (section 30f ALBAG).</li> <li>» Threshold: Annual consolidated group revenue of at least CHF 900 million (sec. 3 ALBAG).</li> <li>» Submission deadline:                             <ul style="list-style-type: none"> <li>» Within 12 months after the end of the reporting fiscal year (sec.11 ALBAG);</li> <li>» A Swiss ultimate parent company may voluntarily submit the CbCR before 2018 (sec. 30 ALBAG).</li> </ul> </li> <li>» Language: The CbCR must be compiled in German, French, Italian or English (sec. 4 ALBAG).</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: Within 90 days after the end of the fiscal year (sec.10, sub.-sec. 4 ALBAG).</li> <li>» Penalties: Up to CHF 50,000 for failure to submit a report on time and up to CHF 100,000 for submitting a report containing inaccurate or incomplete information (sec. 12 &amp; 25f ALBAG).</li> <li>» Switzerland is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 January 2018</b></p>		



# Implementation BEPS Action 13

## Thailand

MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» Thailand joined the "Inclusive Framework on BEPS" in June 2017. However, no information is currently available regarding a plan or a time schedule for the implementation of BEPS Action 13 with respect to the Master File concept.</li> <li>» Also no local regulations on the TP documentation filing requirements are currently in force in Thailand. A draft law has been approved by the cabinet in January 2018 but it has not been enacted yet. The details of the draft law have not been officially published yet.</li> </ul>		<ul style="list-style-type: none"> <li>» Thailand joined the "Inclusive Framework on BEPS" in June 2017 with the intention to implement the CbCR according to BEPS Action 13 into domestic law in the future.</li> <li>» To date, there are however no specific plans for the implementation of the CbCR requirements.</li> <li>» Thailand is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>



# Implementation BEPS Action 13

## Turkey



MASTER FILE	LOCAL FILE	CBCR
<p>» In March 2016, the Turkish tax administration announced a new draft "General Communiqué numbered 3 on Disguised Profit Distribution through Transfer Pricing". As a result, the Master File, the Local File and the CbCR should have been implemented by the end of 2017. However, the implementation of those measures will still take some time and it is unclear when the final regulations will come into force.</p>		
<ul style="list-style-type: none"> <li>» Thresholds: The Master File will be prepared by corporate taxpayers whose assets and net revenue exceed TRY 250 million.</li> <li>» For fiscal years as from 1 January 2017.</li> <li>» Deadline for the preparation: By the end of the second month (end of June) following the submission date of the corporate income tax return (25.04.); the deadline may differ for deviating fiscal years.</li> <li>» Submission deadline: Not specified yet; probably within two months after the expiration of the deadline for filing the CIT return.</li> <li>» Duty of notification: No</li> <li>» Language: Turkish</li> <li>» Penalty: Fine of TRY 1,370.</li> </ul>	<ul style="list-style-type: none"> <li>» Every entity with tax residency in Turkey and executing cross-border transactions is required to prepare the Local File.</li> <li>» The Local File includes the preparation of three sets of documents:                             <ul style="list-style-type: none"> <li>» Annual transfer pricing report;</li> <li>» Transfer pricing form; and</li> <li>» New transaction-based transfer pricing form.</li> </ul> </li> <li>» Thresholds:                             <ul style="list-style-type: none"> <li>» No threshold for preparing the annual transfer pricing report;</li> <li>» Transfer pricing form: A total transaction volume of more than TRY 30,000;</li> <li>» Turkish taxpayers whose assets and net revenue exceed TRY 100 million are required to prepare the new transaction-based transfer pricing form.</li> </ul> </li> <li>» Deadline for the preparation: Within the deadline for filing the CIT return.</li> <li>» Submission deadline: Within 15 days after receiving a request from the tax administration.</li> <li>» Duty of notification: No</li> <li>» Language: Turkish</li> <li>» Penalties: Fine of TRY 1,370.</li> </ul>	<ul style="list-style-type: none"> <li>» Threshold: Ultimate parent companies of multinational groups whose annual consolidated group revenue exceeded TRY 2.37 million in the previous year.</li> <li>» For fiscal years as from 1 January 2016.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Language: Turkish</li> <li>» Surrogate filing: Not defined in the draft.</li> <li>» Secondary filing: Not defined in the draft.</li> <li>» Duty of notification: Annually until March (after the final enactment of the draft – within three months for the first fiscal year).</li> <li>» Penalty: Fine of TRY 1,370.</li> <li>» Turkey is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD's XML format for submission has been implemented.</li> </ul>
<p><b>Draft law available</b></p>		

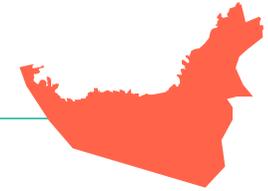


# Implementation BEPS Action 13

## Ukraine



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented yet.</li> <li>» The implementation of the Master File concept, as part of implementing the BEPS minimum standards, is expected in 2018 or later.</li> <li>» The Local File should be prepared according to the requirements set out in Article 39 of the Tax Code of Ukraine. These are, to a large extent, in line with BEPS Action 13.</li> <li>» Local documentation requirements: Taxpayers must prepare the transfer pricing documentation for controlled transactions executed in the respective reporting fiscal year.                             <ul style="list-style-type: none"> <li>» Thresholds:                                     <ul style="list-style-type: none"> <li>» UAH 150 million – taxpayer’s annual income; and</li> <li>» UAH 10 million – value of transaction(s) with the relevant non-resident transaction parties (related parties; transaction parties from a low-tax jurisdiction; transaction parties having a special legal form; foreign commission agents).</li> <li>» For transactions between a non-resident entity and its Ukrainian permanent establishment only the second threshold must be exceeded.</li> </ul> </li> <li>» Deadline for the preparation: No</li> <li>» Submission deadline: The taxpayer must submit the documentation within 30 calendar days after receiving a request from the fiscal authority.</li> <li>» Duty of notification: The report on controlled transactions must be filed in electronic form before 1 October of the fiscal year following the reporting year.</li> <li>» Languages: Ukrainian</li> <li>» Penalties: (i) 300-times the subsistence minimum level (in 2018 this penalty equals UAH 510,000) for failure to submit a report on controlled transactions; (ii) 1% of the value of undisclosed transactions but not exceeding the value of 300-times the subsistence minimum level; (iii) 3% of the value of transactions for which the transfer pricing documentation has not been submitted but not exceeding the value of 200-times the subsistence minimum level. Continuing non-compliance with the reporting and / or documentation requirements may result in additional sanctions.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has not been implemented yet but is expected to be implemented in 2018 or later.</li> <li>» Ukraine is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>



## Implementation BEPS Action 13 United Arab Emirates

MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has not been implemented and is not expected.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has not been implemented and is not expected.</li> <li>» UAE is not a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>





# Implementation BEPS Action 13

## United Kingdom



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» United Kingdom (UK) generally follows the OECD TP Guidelines as regards documentation.</li> <li>» In the UK, the main transfer pricing rules are set out in Part 4 of the Taxation Act 2010 (International and Other Provisions) (TIOPA):                             <ul style="list-style-type: none"> <li>» Her Majesty's Revenue and Customs (HMRC) requires transfer pricing documentation to follow the Chapter V of the OECD TP Guidelines.</li> <li>» HMRC will also accept any documentation prepared in accordance with the EU's code of conduct.</li> <li>» Thresholds: No</li> <li>» Submission deadline: Within 30 days after receiving a request from the UK tax authorities.</li> <li>» Duty of notification: Notification is not required for the Master File / the Local File. However, the documentation must be available.</li> <li>» Penalties: Penalties may be imposed if an entity is unable to provide the correct transfer pricing documentation. HMRC does not indicate any specific amounts of penalties.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.</li> <li>» Threshold: Consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>» Submission deadline: Within 12 months after the end of the reporting fiscal year.</li> <li>» Surrogate filing: Has been implemented.</li> <li>» Secondary filing: Has been implemented.</li> <li>» Duty of notification: By the end of the reporting fiscal year. For example, an entity whose fiscal year ends on 31 December 2018 will be required to notify HMRC by 31 December 2018.</li> <li>» Form of notification: Excel spreadsheet sent to a dedicated HMRC mailbox.</li> <li>» Penalties: Non-compliance with the CbCR (GBP 300 – GBP 3,000).</li> <li>» The UK is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD'S XML format for submission has been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years from 1 January 2016</b></p>		



# Implementation BEPS Action 13

## USA



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» A formal implementation of the OECD Master File concept is currently not planned since an equivalent concept is already in place.</li> <li>» Local documentation requirements:                             <ul style="list-style-type: none"> <li>» Requirements / thresholds: The requirements for the documentation are outlined in "Section 6662" of the Internal Revenue Code. No minimum thresholds for the preparation of the Local File documentation.</li> <li>» Deadline for the preparation: Prior to filing of the federal income tax return each year.</li> <li>» Duty of notification: No</li> <li>» Penalties: 20% to 40% of additional tax payment as a result of adjustment to the transfer prices made during an IRS audit.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to BEPS Action 13 has been implemented for FYs starting from 30 June 2016.</li> <li>» Requirements / Threshold:                             <ul style="list-style-type: none"> <li>» Annual consolidated group revenue of at least USD 850 million in the previous fiscal year;</li> <li>» Only applicable to multinational enterprise (MNE) groups with US-based parent.</li> </ul> </li> <li>» Submission deadline: The CbCR must be filed annually using the Form 8975 as part of corporate taxpayer's federal income tax return. The deadline for filing the annual CIT return is the 15th day of the fourth month following the end of the fiscal year for corporations and the 15th day of the third month following the end of the fiscal year for flow-through entities (S Corps. and LLCs). A six-month extension of this deadline is possible for the tax returns of corporate and flow-through entities.</li> <li>» Surrogate filing: Has not been implemented.</li> <li>» Secondary Filing: Has not been implemented.</li> <li>» Duty of notification: No</li> <li>» Penalties: Non-compliance with the CbCR (USD 10,000 – USD 50,000).</li> <li>» The USA is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» OECD'S XML format for submission has not been implemented.</li> </ul>
<p><b>Effective in Law for fiscal years as from 30 June 2016</b></p>		



# Implementation BEPS Action 13

## Vietnam



MASTER FILE	LOCAL FILE	CBCR
<ul style="list-style-type: none"> <li>» The Master File concept according to BEPS Action 13 has been basically implemented. Legal basis: Decree 20 / 2017 / ND-CP.</li> <li>» Threshold: No; Every Vietnamese CIT payer executing related-party transactions.</li> <li>» Deadline for the preparation: Preparation before submission date of the annual tax return, i.e. 90 days after the end of the taxpayer's fiscal year.</li> <li>» Submission deadline upon request:                             <ul style="list-style-type: none"> <li>» Within 30 working days; Option of a one-time extension of this period for another 15 days of the deadline, stating the reasons for such an extension;</li> <li>» Within 15 working days in the event of a transfer pricing audit.</li> </ul> </li> <li>» Exemptions from the obligation to prepare the Local File (but not from the remaining TP regulations):                             <ul style="list-style-type: none"> <li>» Revenue below VND 50 billion and total volume of all related-party transactions below VND 30 billion in a fiscal year;</li> <li>» Taxpayer signed APA and submits annual APA report(s);</li> <li>» Revenue below VND 200 billion and taxpayer performing business with routine functions and applying the following ratios of EBIT to revenue on the following respective business activities: Distribution 5%, Manufacturing 10%, Processing 15%.</li> </ul> </li> <li>» Duty of notification: Requirement to disclose related-party transaction and transfer pricing information using the prescribed forms (e.g. Form No. 1, 2 and 3). Form No. 1 must be filed within 90 days after the end of the taxpayer's fiscal year.</li> <li>» Language: Vietnamese</li> <li>» Penalties: The same as for the CbCR.</li> </ul>		<ul style="list-style-type: none"> <li>» The CbCR according to OECD's BEPS Action 13 has been implemented (Art. 10 No. 4c).</li> <li>» The taxpayer must prepare the CbCR, if:                             <ul style="list-style-type: none"> <li>» The annual consolidated group revenue is at least VND 18,000 billion in the fiscal year; or</li> <li>» Subsidiaries whose UPE must submit the CbCR are required to submit the copy of that CbCR.</li> </ul> </li> <li>» Preparation deadline: The CbCR must be prepared before submission date of the annual tax return, i.e. 90 days after the end of the taxpayer's fiscal year.</li> <li>» Submission deadline: Please see the deadline for the submission of the Master File and the Local File.</li> <li>» Surrogate Filing: Has not been implemented.</li> <li>» Secondary Filing: Has not been implemented.</li> <li>» Duty of notification: Requirement to fill in the prescribed form (e.g. Form No. 4). Submission upon request.</li> <li>» Language: Vietnamese</li> <li>» Penalties: Non-submission may result in a fine of VND 5 million and / or reassessment of the transfer prices. An additional fine may be imposed for underpayment (i.e. 10% or 20% of shortfall amount depending on the respective fiscal year), late interest payment or evasion penalties.</li> <li>» Vietnam is yet to be a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>» Vietnam has yet to adopt the OECD's XML format.</li> </ul>
<p><b>Effective in Law for fiscal years as from 1 May 2017</b></p>		

## Country-by-Country Reporting

### Notification to the tax administration

In accordance with BEPS Action 13, Annex IV to Chapter V Country-by-Country Reporting Implementation Package, Section 3, the respective countries require notifications to be sent to the tax administration with regard to the CbC Reporting. The aim of the notification is to identify the Reporting Entity of the MNE group and to provide this information to the tax administration.

Locally, there are differences on when and how the notification must be provided. Some countries require a notification by the end of the fiscal year; other countries demand notification along with the corporate income tax return in the year following the reporting fiscal year.

The following table provides an overview on whether or not a notification is required in the respective country and on the deadlines for filing the notification.

#### Notification requirements in selected countries

COUNTRIES	DUTY OF NOTIFICATION	END OF THE REPORTING FISCAL YEAR	IN THE SUBSEQUENT FISCAL YEAR
Argentina	✓	✗	✓
Australia	✓	✗	✓
Austria	✓	✓	✗
Belarus	✗	✗	✗
Belgium	✓	✓	✗
Brazil	✓	✗	✓
Bulgaria	✓	✓	✗
Cambodia	✗	✗	✗
China	✓	✓	✗
Croatia	✓	✗	✓
Cyprus	✓	✓	✗
Czech Republic	✓	✓	✗
Estonia	✓	✗	✓

## Notification to the tax administration

COUNTRIES	DUTY OF NOTIFICATION	END OF THE REPORTING FISCAL YEAR	IN THE SUBSEQUENT FISCAL YEAR
Finland	✓	✓	✗
France	✓	✗	✓
Georgia	✗	✗	✗
Germany	✓	✗	✓
Hong Kong	✓	✗	✓
Hungary	✓	✓	✗
India	✓	✗	✓
Indonesia	✓	✗	✓
Iran	✗	✗	✗
Ireland	✓	✓	✗
Italy	✓	✗	✓
Kazakhstan	✓	✗	✓
Kenya	✗	✗	✗
Latvia	✓	✓	✗
Liechtenstein	✓	✓	✗
Lithuania	✓	✓	✗
Malaysia	✓	✓	✗
Mexico	✗	✗	✗
Netherlands	✓	✓	✗

## Notification to the tax administration

COUNTRIES	DUTY OF NOTIFICATION	END OF THE REPORTING FISCAL YEAR	IN THE SUBSEQUENT FISCAL YEAR
Philippines	✗	✗	✗
Poland	✓	✓	✗
Portugal	✓	✗	✓
Romania	✓	✓	✗
Russia	✓	✗	✓
Serbia	✗	✗	✗
Singapore	✗	✗	✗
Slovakia	✓	✗	✓
South Africa	✓	✗	✓
Spain	✓	✓	✗
Sweden	✓	✓	✗
Switzerland	✓	✗	✓
Thailand	✗	✗	✗
Turkey	✓	✗	✓
Ukraine	✗	✗	✗
United Arab Emirates	✗	✗	✗
United Kingdom	✓	✓	✗
USA	✗	✗	✗
Vietnam	✗	✗	✗

## Country-by-Country Reporting

### Countries that signed the MCAA on CbCR

As of 19 December 2017, 68 countries have signed the Multilateral Competent Authority Agreement (“MCAA”) on the Exchange of Country-by-Country (“CbC”) Reports, as contemplated by Action 13 of the BEPS Action Plan. The CbC MCAA is one of the provided model authority agreements that have been developed for exchange of CbC Reports.

According to the OECD, the purpose of the CbC MCAA is to set forth rules and procedures as may be necessary for Competent Authorities to automatically exchange CbC Reports prepared by the Reporting Entity of an MNE group and filed on an annual basis with the tax authorities of the jurisdiction of tax residence of that entity with the tax authorities of all jurisdictions in which the MNE group operates. This exchange of information helps tax administrations obtain a complete understanding of how MNEs structure their operations, while ensuring confidentiality of such information.

#### To date, the following countries have signed the CbC MCAA:

- » Argentina
- » Australia
- » Austria
- » Belgium
- » Belize
- » Bermuda
- » Brazil
- » Bulgaria
- » Canada
- » Cayman Islands
- » Chile
- » China
- » Costa Rica
- » Colombia
- » Croatia
- » Curaçao
- » Cyprus
- » Czech Republic
- » Denmark
- » Estonia
- » Finland
- » France
- » Gabon
- » Georgia
- » Germany
- » Greece
- » Guernsey
- » Haiti
- » Hungary
- » Iceland
- » India
- » Indonesia
- » Ireland
- » Isle of Man
- » Israel
- » Italy
- » Japan
- » Jersey
- » Korea
- » Latvia
- » Liechtenstein
- » Lithuania
- » Luxembourg
- » Malaysia
- » Malta
- » Mauritius
- » Mexico
- » Monaco
- » Netherlands
- » New Zealand
- » Nigeria
- » Norway
- » Pakistan
- » Poland
- » Portugal
- » Qatar
- » Russian Federation
- » Senegal
- » Singapore
- » Slovak Republic
- » Slovenia
- » South Africa
- » Spain
- » Sweden
- » Switzerland
- » Turks and Caicos Islands
- » United Kingdom
- » Uruguay

## About us

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As lawyers, tax advisers, management and IT consultants and auditors, we are present in 111 own locations in 51 countries. Worldwide, our clients trust our 4,700 colleagues.

The history of Rödl & Partner goes back to its foundation as a solo practice in 1977 in Nuremberg. Our aspiration to be on hand wherever our internationally-active clients are led to the establishment of our first, own offices, commencing with Central and Eastern Europe in 1989. Alongside market entry in Asia in 1994, the opening of offices in further strategic locations followed, in Western and Northern Europe in 1998, USA in 2000, South America in 2005 and Africa in 2008.

Our success has always been based on the success of our German clients: Rödl & Partner is always there where its clients see the potential for their business engagement. Rather than create an artificial network of franchises or affiliates, we have chosen to set up our own offices and rely on close, multidisciplinary and cross-border collaboration among our colleagues. As a result, Rödl & Partner stands for international expertise from a single source.

Our conviction is driven by our entrepreneurial spirit that we share with many, but especially German family-owned companies. They appreciate personal service and value an advisor they see eye to eye with.

Our 'one face to the client' approach sets us apart from the rest. Our clients have a designated contact person who ensures that the complete range of Rödl & Partner services is optimally employed to the client's benefit. The 'caretaker' is always close at hand; they identify the client's needs and points to be resolved. The 'caretaker' is naturally also the main contact person in critical situations.

We also stand out through our corporate philosophy and client care, which is based on mutual trust and long-term orientation. We rely on renowned specialists who think in an interdisciplinary manner, since the needs and projects of our clients cannot be separated into individual professional disciplines. Our one-stop-shop concept is based on a balance of expertise across the individual service lines, combining them seamlessly in multidisciplinary teams.

### What sets us apart

Rödl & Partner is not a collection of accountants, auditors, lawyers, management and tax consultants working in parallel. We work together, closely interlinked across all service lines. We think from a market perspective, from a client's perspective, where a project team possesses all the capabilities to be successful and to realise the client's goals.

Our interdisciplinary approach is not unique, nor is our global reach or our particularly strong presence among family businesses. It is the combination that cannot be found anywhere else – a firm that is devoted to comprehensively supporting German businesses, wherever in the world they might be.





## Contact

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