

Rödl & Partner

# PROVIDING ORIENTA- TION

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OECD Master File concept and CbC Reporting –  
international documentation requirements



# Preamble

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Dear Reader,

Due in part to public pressure, the OECD and G20 have adopted a BEPS action plan to counter tax avoidance and profit shifting (BEPS) by multinational corporate groups. To this end, an action plan was published in April 2013, providing 15 action points on which measures are to be developed and implemented in order to achieve the goal of preventing tax-aggressive structures.

Four of these action points dealt directly with transfer pricing issues. After the final report on Action 13 („Transfer Pricing Documentation and Country-by-Country Reporting“) was published by the OECD in 2015, the three-tiered documentation approach consisting of Master File, Local File and Country-by-Country Reporting can now be found in the OECD Transfer Pricing Guidelines of July 2017. Many legislators in the meantime implemented the OECD proposal in full or at least in part into national law.

The consequence of the three-tiered approach is that tax administrations gain a much deeper view into intra-group structures. Whether the perception of transfer pricing as a relevant audit focus or the increasing transparency of transfer pricing issues is the reason for increasing transfer pricing adjustments cannot be conclusively determined in individual cases. Nevertheless, experience shows that transfer pricing continues to receive increasing attention from tax authorities.

As a result of the current COVID-19 pandemic, it is to be expected that internationally represented groups of companies and their intra-group business relationships will once again come under increased scrutiny by the national tax authorities. The considerable impact of the pandemic on the economy leads to the assumption that tax administrations want to „save“ their tax revenue precisely by intensifying audits of international circumstances, such as transfer pricing.

In preparation for an upcoming tax audit, the best defence is a usable transfer pricing documentation. Uniform documentation rules help corporate groups to reduce their compliance costs. In addition to the formal differences in documentation that still exist in some cases, however, there are still differences in content in the individual countries, as well as a wide variety of preparation, notification and submission deadlines.

Determining the individual tax reporting obligations to which an internationally operating group of companies is subject is sometimes laborious and associated with uncertainty. However, knowledge of the respective national implementation status is an essential compliance task for the transfer pricing management of international groups of companies in order to avoid formal errors and thus an initial target with regard to the usability of a documentation.

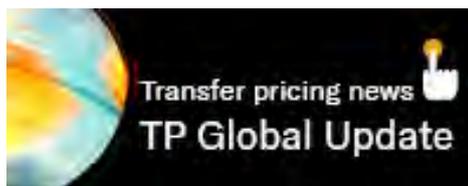
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With this publication on 59 countries, we would like to provide you with an orientation aid. Although this does not allow any conclusive statements to be made about your company's individual documentation obligations, we believe that we have been able to provide you with a helpful initial overview. If you have any further questions, please do not hesitate to contact our international transfer pricing group at Rödl & Partner.

Sincerely yours



Michael Scharf



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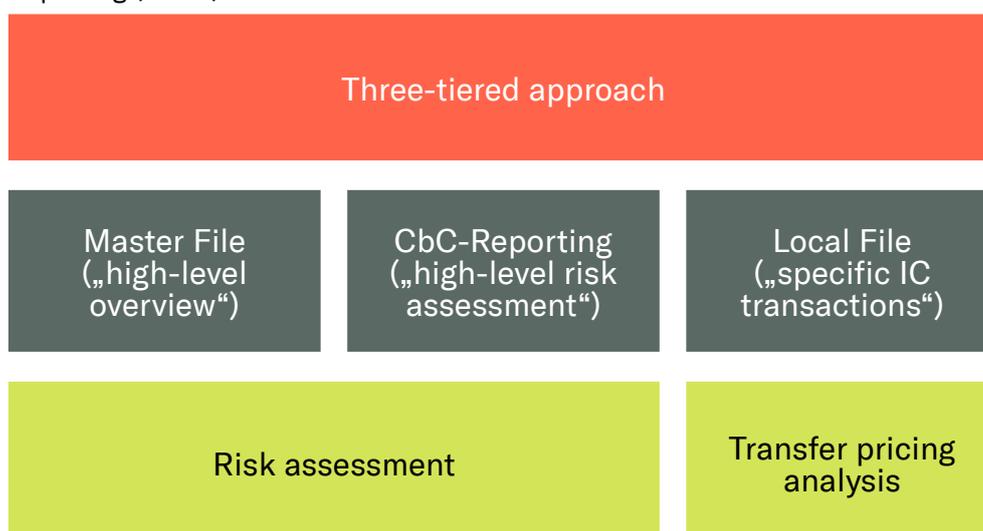
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# BEPS Action 13

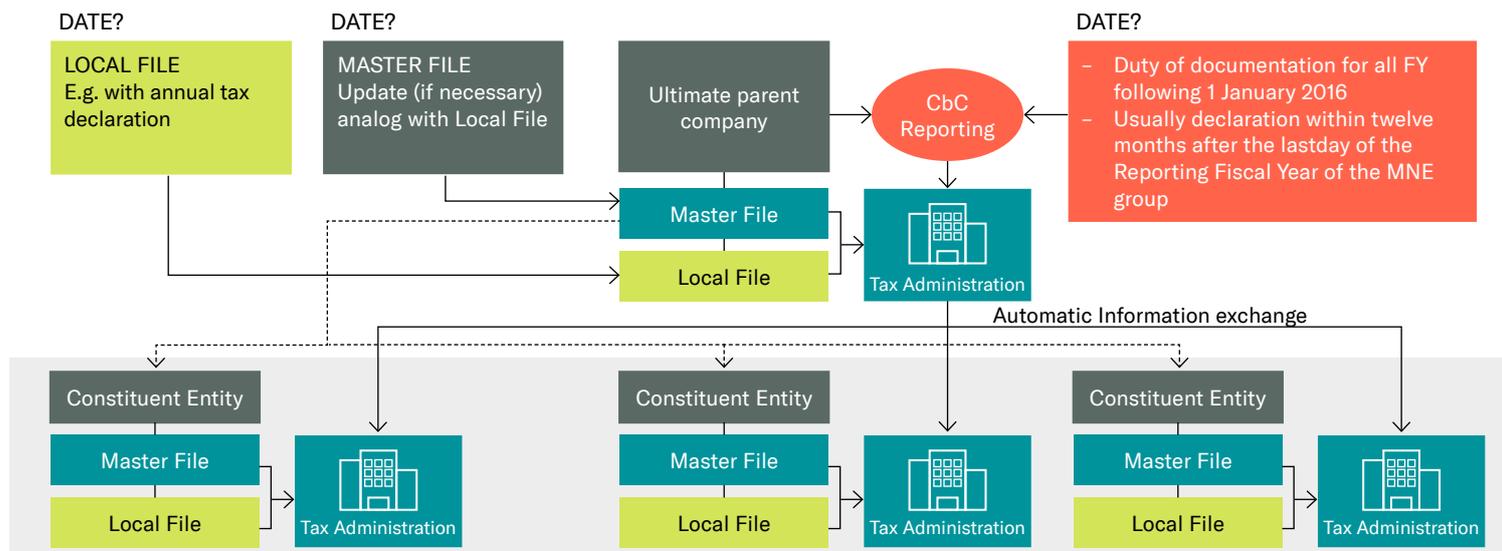
## Transfer Pricing Documentation and Country-by-Country Reporting

Following the points of action developed in the context of the BEPS project against Base Erosion and Profit Shifting of multinational enterprises, countries implemented these actions as far as possible 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 V 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, 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 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 provides tax 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 tax authorities.

# Service Portfolio

Rödl & Partner's transfer pricing service line supports its international clients worldwide in the individual structuring, documentation and defence of cross-border business relationships within the group of companies. We work together, closely interlinked across all service lines. We think from a market perspective, where a tax team possesses all the capabilities to be successful and to realise the client's goals.

Rödl & Partner has many years of experience in supporting multinational enterprise groups in the area of transfer pricing. Together with our colleagues in over 50 countries, we can advise you in the following areas, also based on cross-border collaboration, if required:

<h3>Health Check</h3>  <ul style="list-style-type: none"><li>- IC Maturity Check</li><li>- Optimisation potential</li><li>- Tax risk assessment</li><li>- System design</li><li>- Interface design</li></ul>	<h3>Digital Solutions</h3>  <ul style="list-style-type: none"><li>- Transaction matrix</li><li>- Segmentation</li><li>- TP Controlling</li><li>- Simulation</li><li>- ERP-Integration</li><li>- BI / Analytics</li><li>- Digital agenda</li></ul>	<h3>Documentation</h3>  <ul style="list-style-type: none"><li>- Master File</li><li>- Local Files</li><li>- Global coordination</li><li>- Digital Realisation</li><li>- Management of Due Dates</li></ul>	<h3>CbCR</h3>  <ul style="list-style-type: none"><li>- Data generation</li><li>- Data preparation</li><li>- Report generation</li><li>- Conversion to XML format</li><li>- Transfer</li><li>- CbCR risk analysis</li></ul>
<h3>Arm's length comparison</h3>  <ul style="list-style-type: none"><li>- Selection of the type and scope of arm's length transactions</li><li>- Benchmarking</li><li>- Rating</li><li>- Valuation</li><li>- Adjustment calculations</li></ul>	<h3>Operational TP</h3>  <ul style="list-style-type: none"><li>- SWOT analysis</li><li>- Process recording</li><li>- Roadmap to excellence</li><li>- Best Practice Workshops</li><li>- Coaching</li></ul>	<h3>Defence TP</h3>  <ul style="list-style-type: none"><li>- Tax audit</li><li>- Joint Audit</li><li>- Mutual agreement procedure</li><li>- APA</li><li>- Objection procedure</li><li>- Lawsuit</li></ul>	<h3>Legal TP</h3>  <ul style="list-style-type: none"><li>- Procedural law</li><li>- Duties to cooperate</li><li>- Reporting requirements</li><li>- Burden of proof</li><li>- Usability</li><li>- Access rights concerning tax audit</li><li>- Data protection</li></ul>

# Your added value

Rödl & Partner offers you an approach that can be briefly summarised as follows:

- “One Face To The Client” approach – you have ONE contact person
- Professional assistance for German companies with foreign engagements
- Central project management: Our structure – international, interdisciplinary
- Specialists with local expertise – no ‘fly-in’ consultants

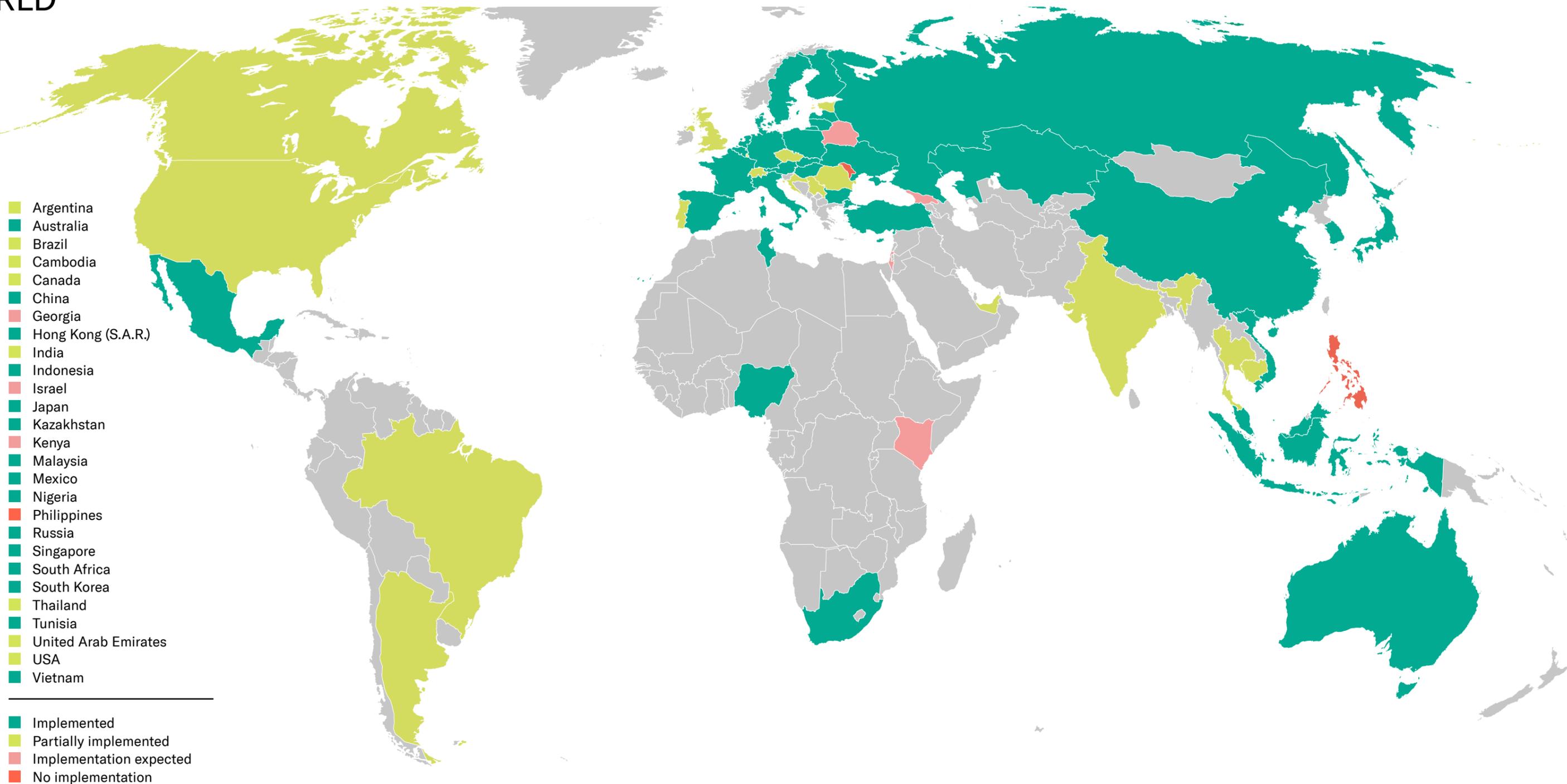
Thus, Rödl & Partner offers you the following added value:

- Your consultant speaks your language anywhere in the world – also in a figurative sense
- Regular advice offered by a team of consultants and a direct point of contact
- One-stop-shop concept – coordination of service providers that saves you time
- Immediate and direct access to the best local experts, without language and time barriers
- You get an easy, consistent, cost-efficient and transparent overview of your projects worldwide
- You receive directly usable information firsthand
- We offer you international hands-on solutions



# BEPS Action 13 state of implementation in selected countries

WORLD

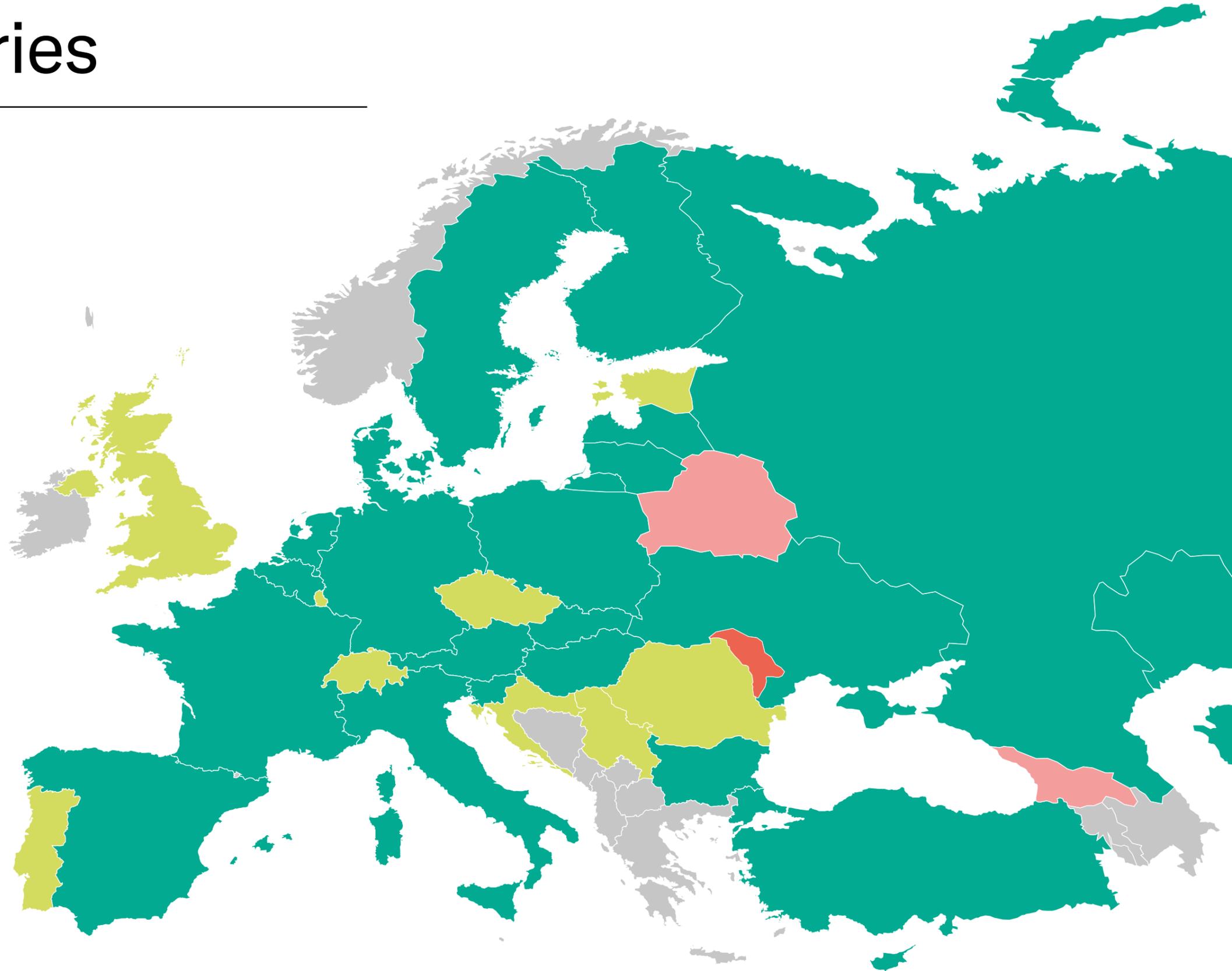


# BEPS Action 13 state of implementation in selected countries

## EUROPA

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

- Implemented
- Partially implemented
- Implementation expected
- No implementation



# ARGENTINA

	<h2>Master File</h2> <ul style="list-style-type: none"> <li>- The Master File has been implemented for FYs starting from 1 January 2018.</li> <li>- Thresholds:             <ul style="list-style-type: none"> <li>- The taxpayer is a member of a MNE Group with consolidated revenues higher than ARS 2 billion in the previous fiscal year; and</li> <li>- The transactions carried out with foreign related parties exceed ARS 3 million (jointly) or ARS 300,000 (individually).</li> </ul> </li> <li>- Submission deadline: Between the 23rd and the 27th day of the twelfth month following the end of the fiscal year.</li> <li>- Language: Spanish only.</li> <li>- Penalties: Up to ARS 45,000 for non-compliance with the submission deadline.</li> </ul>	<h2>Local File</h2> <ul style="list-style-type: none"> <li>- In Argentina, a Local File (called TP Report or Study) has been in place since the fiscal year 1999.</li> <li>- Although it is not completely in line with BEPS 13, it contains – to a certain extent – similar information.</li> <li>- Thresholds:             <ul style="list-style-type: none"> <li>- Transactions with foreign related parties exceed ARS 30 million or</li> <li>- If the taxpayer is member of a MNE Group obligated to file the CbCR, or its consolidated revenues were higher than ARS 2 billion in the previous fiscal year, and the transactions with foreign related parties exceed ARS 3 million (jointly) or ARS 300,000 (individually).</li> </ul> </li> <li>- Submission deadline: Between the 23rd and the 27th day of the sixth month following the end of the fiscal year.</li> <li>- Duty of notification: Not applicable.</li> <li>- Also an informative statement of transactions must be filed, when the following thresholds are met:             <ul style="list-style-type: none"> <li>- Transactions with foreign related parties and / or transactions with counterparties located in non-cooperative jurisdictions or in low- or nil-tax jurisdictions exceed ARS 3 million (jointly) or ARS 300,000 (individually); or</li> <li>- Exports and imports with independent parties exceed ARS 10 million (jointly).</li> </ul> </li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- Non-submission of information regarding transactions with foreign related parties will result in a fine of ARS 10,000 (ARS 20,000 for foreign-owned taxpayers).</li> <li>- Non-submission of information regarding exports and imports with independent parties will result in a fine of ARS 1,500 (ARS 9,000 for foreign-owned taxpayers).</li> </ul> </li> </ul>	<h2>CbCR</h2> <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: Consolidated revenue of at least EUR 750 million in the previous year.</li> <li>- Preparation and submission deadline: Submission within twelve months after the end of the fiscal year.</li> <li>- Language: Spanish</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Within three 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 two months of the CbCR submission deadline, which must contain a specific date of submission by a foreign entity.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- A fine ranging between ARS 80,000 and ARS 200,000 for failure to notify;</li> <li>- In the case of failure to submit, the fine ranges between ARS 600,000 and ARS 900,000.</li> <li>- In addition, taxpayers will be subject to further sanctions:                 <ul style="list-style-type: none"> <li>- Increased risk of tax audits in the future;</li> <li>- Suspension or exclusion from specific tax registers; and</li> <li>- Suspension from the applications to obtain exemption from the withholding tax.</li> </ul> </li> </ul> </li> <li>- Argentina is a signatory of Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).</li> <li>- A TXT format similar to the OECD’s XML format has been implemented.</li> </ul>
			
	<p>Legally effective for fiscal years as from 1 January 2018</p>	<p>Legally effective for fiscal years as from 1 January 1999</p>	<p>Legally effective for fiscal years as from 1 January 2017</p>

# AUSTRALIA



## Master File

- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.
- A CbC Reporting Entity is required to provide the Australian Taxation Office (ATO) with an English version of the Master File prepared by the global CbC Reporting Parent.
- Master File must be submitted electronically as an attachment to the Local File.
- 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.

## Local File

- 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.
- Local File requirements exist in addition to the local Transfer Pricing Documentation requirements in Australia, although there is a Simplified Transfer Pricing Record Keeping Option available for specific small local entities.
- Also, there is a requirement for CbC Reporting Entities to lodge General Purpose Financial Statements (GPFS) with the ATO at the time of lodging the annual company tax return unless they have already been lodged with the corporate regulator.

## CbCR

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.
- Language: Only in English
- Surrogate filing: Has been implemented
- Secondary filing: Has been implemented
- Duty of notification: An entity is required to file a notification of its SGE and CbC Reporting Entity status in the annual company tax return (as a rule, 6.5 months after the year-end).
- Australia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").
- OECD's XML format for submission has been implemented.

### Requirements / thresholds:

- For income years commencing on or after 1 July 2019, Australian tax laws have changed to define a "CbC Reporting Entity" as a member of a consolidated group of entities tracing back to a CbC Reporting Parent which generated annual global income exceeding AUD 1 billion in the previous year.
- The concept of a "Significant Global Entity" (SGE) has been extended to include groups headed by individuals or otherwise where no formal accounting consolidation is required. The SGE status involves additional integrity rules and the following heightened penalties:
  - Failure to file on time results in penalties of up to AUD 555,000 per filing obligation.
  - False or misleading statements can be fined at up to 150% of the tax shortfall, or, if there is no shortfall, with a penalty of AUD 26,640. The penalty may be reduced if reasonable argumentation is presented. A penalty reduction arising out of transfer pricing adjustments may be applied if local Transfer Pricing Documentation requirements are met before the annual tax return is filed.
- Preparation and submission deadline: Within twelve months after the end of the fiscal year
- *Special regulation due to COVID-19 pandemic:* A COVID-19 extension was granted until end January 2021 for fiscal years ended in December 2019)

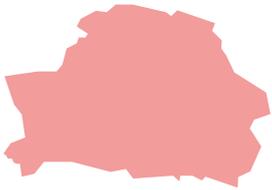
Legally effective for fiscal years commencing on or after 1 January 2016

# AUSTRIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- An Austrian entity is part of a MNE group; and</li> <li>- The Austrian entity's revenue exceeded the amount of EUR 50 million in each of the two preceding years.</li> <li>- The obligation ceases to apply if the threshold is not met for two preceding years.</li> <li>- If the thresholds are not exceeded in Austria, the tax authorities may request the submission of a Master File if a Master File has been prepared by another group entity.</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 and the Local File following the submission of the tax return.</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>- Also if the revenue is below the threshold, the Transfer Pricing Documentation must be prepared based on the general recording and cooperation obligations of the taxpayer (§§ 124, 131 and 138 BAO).</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>- Preparation and submission deadline: No later than twelve months after the end of the 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: By the end of the fiscal year (form VPDG 1, per mail or electronically via FinanzOnline).</li> <li>- Penalties: Up to EUR 50,000.</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>

Legally effective for fiscal years as from 1 January 2016

# BELARUS

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 does not contravene the local legislation and is largely accepted, however it has not been incorporated into national law.</li> <li>- Local documentation requirements:             <ul style="list-style-type: none"> <li>- A documentation requirement applies to "large" taxpayers (revenue exceeds EUR 75 million) with the transaction volume of more than BYN 2 million (about EUR 650,000) per year; or</li> <li>- Other taxpayers who are involved in transactions with "strategic" goods (e.g. crude oil and oil products, natural gas, potassium, raw wood, steel) in the same volume (EUR 650,000 per year). The documentation must be prepared after the end of the fiscal year and submitted upon request. It may be requested by the tax authorities at any time starting from 1 June of the following year.</li> <li>- In the following cases a short version of the documentation ("short documentation") must be submitted upon request (early preparation is not required):                 <ul style="list-style-type: none"> <li>- Acquisition or sale of goods or services by or to an offshore entity, or an affiliated foreign-based entity, or an affiliated entity which is CIT tax-exempt in Belarus, with the transaction volume exceeding BYN 400,000 (approximately EUR 125,000) within a calendar year; or</li> <li>- Real estate transactions with an affiliated entity or natural person (regardless of the transaction volume). The short documentation should be provided upon request within the time limit specified by the tax authority (as a rule – ten working days).</li> </ul> </li> <li>- Penalties: No sanctions are imposed for the missing documentation, but the tax authority may, on the basis of its own calculation, request the additional payment of corporate income tax.</li> </ul> </li> <li>- Requirements as to the content and form of the documentation / Short documentation:             <ul style="list-style-type: none"> <li>- The documentation / short documentation must be prepared in accordance with the statutory template, but the submission of any additional information is explicitly permitted.</li> <li>- The announced comprehensive template for documentation / short documentation is a one-tier document (no differentiation between Master File and Local File, no CbCR).</li> <li>- Language: Russian</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>- It is expected that the implementation of CbCR in Russia and improving IT affinity of the Belarusian tax authorities will accelerate the process in Belarus.</li> </ul>

# BELGIUM



## Master File

- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.
- 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 most recently closed fiscal year:
  - Total operating and financial revenue of more than EUR 50 million per Belgian constituent entity (excl. non-recurring revenue); or
  - Balance sheet total of more than EUR 1 billion per Belgian constituent entity; or
  - Annual average of more than 100 full-time equivalents (employees) per Belgian constituent entity.
- Preparation and submission deadline: Within twelve months of the end of the fiscal year of the MNE group.
- Language: English, French, Dutch, German
- Penalties: Non-compliance with the submission deadline can result in a fine ranging between EUR 1,250 and EUR 25,000 as from the second violation in the event that the violation was not committed in bad faith. If the violation was committed in bad faith, the fine amounts to EUR 12,500 for the first violation and EUR 25,000 as from the second violation.
- XML format for submission has been implemented.

Legally effective for fiscal years as from 1 January 2016

## Local File

- Requirements / thresholds: The same requirements as in the case of the Master File.
- Submission deadline: The Local File must be filed by the same submission deadline as the Corporate Income Tax Return of the Belgian constituent entity relating to the fiscal year. (Please note: the Corporate Income Tax Return and the Local File cannot be filed via the same portal - the Corporate Income Tax Return must be filed via BizTax and the Local File - via MyMinFinPro).
- Special regulation due to COVID-19 pandemic: Submission deadline for corporate income tax returns (incl. Local File) has been extended until 30 November 2020 (for entities with a fiscal year ending in the period between 31 December 2019 - 31 March 2020)
- Language: English, French, Dutch, German
- Penalties: Non-compliance with the submission deadline can result in a fine ranging between EUR 1,250 and EUR 25,000 as from the second violation in the event that the violation was not committed in bad faith. If the violation was committed in bad faith, the fine amounts to EUR 12,500 for the first violation and EUR 25,000 as from the second violation.
- 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 if at least one of the business units of the Belgian entity has executed cross-border intra-group transactions of more than EUR 1 million. In such a case Part B must be completed for each business unit that has exceeded this threshold. It is permitted, when completing the detailed information per business unit (Part B) in the tables B3 to B6, to take into account a materiality requirement of EUR 25,000 per transaction. The same methodology (with or without materiality requirement) must be applied to all business units. Part C is optional and can be used for filing appendices.
- XML-Format for submission has been implemented.

Part A & C are legally effective for fiscal years as from 1 January 2016; Part B as from 1 January 2017

## CbCR

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.
- Threshold: A MNE group must file the CbCR if it has generated consolidated revenue of EUR 750 million as shown in the consolidated financial statements of the group for the fiscal year immediately preceding the most recently closed fiscal year.
- Submission deadline: Within twelve months of the end of the fiscal year of the MNE group.
- Language: English, French, Dutch, German
- Surrogate filing: Has been implemented
- Secondary filing: Has been implemented
- Duty of notification: The notification form must be filed by the end of the fiscal year of the MNE group. As of the fiscal year ending on 31 December 2019 or later, only changes have to be notified.
- Penalties: Non-compliance with the submission deadline can result in a fine ranging between EUR 1,250 and EUR 25,000 as from the second violation in the event that the violation was not committed in bad faith. If the violation was committed in bad faith, the fine amounts to EUR 12,500 for the first violation and EUR 25,000 as from the second violation.
- Belgium is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").
- OECD's XML format for submission has been implemented.

Legally effective for fiscal years as from 1 January 2016

# BRAZIL

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<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>- Obligation to prepare documentation: Pursuant to the Law No. 9.430 /96 and the Normative Instruction #1312 /2012, intercompany transactions (e.g. supply of goods, provision of services, transfer of 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 of import transactions.</li> <li>- Submission deadlines: The full documentation does not need to be submitted, but the calculation must be prepared until the last business day of January of the following calendar year (in connection to the Corporate Income Tax Payment term); Special forms within the Corporate Income Tax Return must be filed until the last business day of July of the following calendar year (the documentation must be kept on file for five 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: Yearly obligation. 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 documentation is 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>- Threshold:             <ul style="list-style-type: none"> <li>- MNE groups with total consolidated revenue of more than BRL 2,260 billion in the previous fiscal year, 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 should be disclosed annually using a module (Bloco W) of the Brazilian Annual Corporate Income Tax Return ("ECF") no later than the last business day of July every year.</li> <li>- <u>Special regulation due to COVID-19 pandemic</u>: For fiscal year 2020 the deadline remained the last business day of July. However, it may be changed depending on the status of the pandemic.</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 within the same deadline, i.e. by the last business day of July every 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>Legally effective for fiscal years as from 1 January 2016</p>

# BULGARIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation for FYs starting from 1 January 2020.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- The Local File for related-party transactions should be prepared, if                 <ul style="list-style-type: none"> <li>a) The net amount of the performed transactions for the reporting period exceeds:                     <ul style="list-style-type: none"> <li>- BGN 400,000 – for transactions involving goods;</li> <li>- BGN 200,000 – for any other transactions;</li> </ul> </li> <li>b) Loans exceed BGN 1 Mio or charged interest in connection with loans exceeds BGN 50,000.</li> </ul> </li> <li>- There is no obligation to prepare the Local File if:                 <ul style="list-style-type: none"> <li>a) As of 31 December of the previous year two of the following criteria are not fulfilled:                     <ul style="list-style-type: none"> <li>- Book value of the total assets is BGN 38 million</li> <li>- Net sales revenue is BGN 76 million;</li> <li>- Average number of employees is 250;</li> </ul> </li> <li>b) The entity is exempt from corporate income tax;</li> <li>c) Only domestic related-party transactions were performed;</li> <li>d) The performed activity is subject to another tax.</li> </ul> </li> </ul> </li> <li>- Deadline for the preparation:             <ul style="list-style-type: none"> <li>- The Local File should be prepared for the fiscal years from 1 January 2020 until 30 June of the year following the year which the Local File refers to. In case of any correction of the annual Corporate Income Tax Return, which leads to a change of the data included in the Local File, it has to be corrected within 14 days of the correction of the annual tax return, but not later than 30 September.</li> <li>- Where the legal entity, which is obliged to prepare the Local File, is part of a MNE group, it is also obliged to have available the prepared Master File. The Master File for the reporting year has to be available not later than 30 June of the year following the year of the preparation of the Local File.</li> </ul> </li> <li>- Submission deadline: In the case of requests within the tax audit procedure the term is determined by the tax authorities (usually seven days or 14 days). The term may be prolonged or temporarily suspended under certain circumstances.</li> <li>- Duty of notification: No</li> <li>- Language: According to Bulgarian law, at the request of the tax authorities, the documentation has to be provided to the tax authorities translated into the Bulgarian language.</li> <li>- Penalties: In cases of non-compliance with the legal requirements a financial penalty will be imposed.</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 for the fiscal years starting from 2017, if the CbCR is filed by the constituent entity.</li> <li>- Threshold: The annual consolidated group revenue is at least BGN 1,466 million (EUR 750 million) for the fiscal year preceding the reporting year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting 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 reporting fiscal year. Information about the CbCR status 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>- Failure to submit the report results in a penalty ranging between BGN 100,000 and BGN 200,000;</li> <li>- Submission of incomplete or incorrect data results in a penalty ranging between BGN 50,000 and BGN 150,000);</li> <li>- A violation of the notification obligation results in a penalty ranging between BGN 50,000 and 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. The report is submitted via an electronic programme which is available on the NRA website.</li> </ul>
<p>Legally effective for fiscal years as from 1 January 2020</p>		<p>Legally effective for fiscal years as from 1 January 2016 or 1 January 2017</p>	

# CAMBODIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been implemented. 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. ownership of 20% or more of the equity interest in the enterprise or voting power of the board of directors); 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: Documentation should be filed 90 days after the end of the financial year ("FY").</li> <li>- Submission deadline: At the request of the Cambodian tax authority; a specific submission deadline is determined on a case-by-case basis (typically seven working days).</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 may result in:             <ul style="list-style-type: none"> <li>- Revocation of the company's certificate of tax compliance;</li> <li>- A financial penalty ranging from 10% to 40% of back taxes;</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>- Cambodia has not adopted / implemented BEPS Action 13 for Transfer Pricing Documentation in its local regulations.</li> <li>- Cambodia is not a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>
<p>Legally effective for fiscal years from 10 October 2017</p>			

# CANADA



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has not been incorporated into the domestic legislation. Furthermore, a formal implementation of the OECD Master File concept is currently not planned since an equivalent concept already exists as part of the transfer pricing rules.
- The local documentation requirements under the transfer pricing rules include:
  - In Canada, the transfer pricing rules are set out in section 247 of the Income Tax Act (ITA).
  - The ITA requires that a Canadian taxpayer documents its non-arm's length transactions with non-residents and makes reasonable efforts to use arm's length transfer prices. In order to be considered to have made reasonable efforts, the taxpayer should prepare up-to-date documentation regarding transfer pricing methods used.
  - Documentation should be kept up-to-date.
  - Submission deadline: Up-to-date documentation must be provided to Canadian tax authorities (CRA) within three months of receipt of a written request from CRA.
  - *Special regulation due to COVID-19 pandemic*: Extension of tax returns deadline (incl. Local File) until September 2020 (for those that were due from June to August 2020). There are currently no other known extensions.
  - Penalties: Penalties of 10% of the transfer pricing adjustments may apply upon a CRA audit. The penalties cannot be greater than the lower of 10% of the taxpayer's transfer pricing adjustments or CAD 5 million.

- The CbCR according to BEPS Action 13 has been implemented for fiscal years starting from January 2016.
- Threshold: Annual consolidated group revenue exceeding EUR 750 million in the year preceding the reporting year.
- Submission deadline: The CbCR must be filed within twelve months of the end of the fiscal year. A Canadian taxpayer that meets the electronic filing requirements must file the RC4649 form electronically. Otherwise it can be paper-filed.
- Language: English or French
- Surrogate filing: Has been implemented
- Secondary filing: Has been implemented
- Penalties:
  - Penalties may be applicable for failing to complete and file CbCR by the due date: CAD 25 per day (minimum CAD 100 and maximum CAD 2,500).
  - For non-submission of the report CAD 500 per month (where no demand to file the report has been served). Otherwise CAD 1,000 per month.
- Canada is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").
- OECD's XML format for submission has been implemented.

Legally effective for fiscal years as from 1 January 2016

# CHINA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- The enterprise makes crossborder 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 twelve months after the fiscal year end of the group's ultimate parent company.</li> <li>- Submission deadline: Within 30 days following the 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 corporate income tax (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; or</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; or</li> <li>- All other related party transactions exceeding the amount of CNY 40 million in total (e.g. interest on intercompany loans).</li> </ul> </li> <li>- Deadline for the preparation: 30 June of the following fiscal year</li> <li>- Submission deadline: Within 30 days following the request of tax authorities</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 in the preceding year; or</li> <li>- A Chinese entity has been commissioned by the MNE group to prepare the CbCR (the requirement to prepare the CbCR is governed by domestic tax law of the ultimate parent entity).</li> </ul> </li> <li>- Submission deadline: 31 May of the following year together with the annual CIT return.</li> <li>- Language: Submission in Chinese and English</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Along with the form for reporting of related-party transactions until 31 May of the following fiscal year.</li> <li>- Penalties: From CNY 10,000 to CNY 50,000</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>
<p>Legally effective for fiscal years as from 1 January 2016</p>			

# CROATIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The incorporation of the Master File concept according to BEPS Action 13 into domestic legislation is expected. The Croatian tax authority (CTA) has not issued any guidelines on the implementation of the Master File concept yet.</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. However, the law requires the Transfer Pricing Documentation to be available and provided to the tax authorities at their request as part of a tax audit.</li> <li>- Submission deadline: According to the Article 79 of the General Tax Act the prescribed deadline for the provision of documentation requested by tax authorities in general is eight days. However, 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.</li> <li>- 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 Action 13 has been implemented for FYs starting from 2016.</li> <li>- Threshold: The parent of the MNE group must be headquartered in Croatia with the total consolidated group revenue of at least EUR 750 million in the last fiscal year.</li> <li>- Submission deadline: Within twelve 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 four months after the end of the fiscal year. After the first notification (e.g. for fiscal year 17), a company is no longer obliged to submit further notifications to Tax Administration as long as the identity and tax residence of the entity submitting the CbCR on behalf of the group of companies do not change.</li> <li>- Penalties: From HRK 2,000 to HRK 200,000 (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 of CbCR has not been implemented yet but is expected.</li> </ul>
			<p>Legally effective for fiscal years as from 1 January 2016</p>

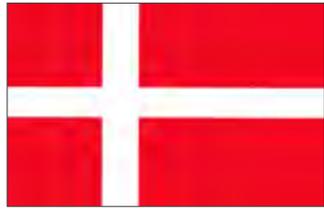
# CYPRUS

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been implemented.</li> <li>- Registration guidelines &amp; guidelines for the submission of CbCR-related documents have been provided by the Cyprus Tax Department.</li> <li>- Additional details for the Master File and Local File will be provided by the Cyprus Tax Department once the Transfer Pricing rules are published.</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 exceeding EUR 750 million in the previous year. Regulations have been extended to subsidiary entities.</li> <li>- Submission deadline: Twelve months of the end of the reporting fiscal year.</li> <li>- <u>Special regulation due to the COVID-19 pandemic</u>: One month extension of the submission deadline (31 January 2021 instead of 31 December 2020).</li> <li>- Language: English</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented and will apply to fiscal years commencing on 1 January 2017.</li> <li>- Notification duty: As a rule, until the end of the FY. The submission is made electronically by means of a notification form.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- Penalties not exceeding EUR 10,000 will apply in case of non-compliance with the CbCR reporting obligations;</li> <li>- Penalties not exceeding EUR 5,000 will apply in case of failure to file the notification;</li> <li>- Penalties are limited to EUR 20,000.</li> </ul> </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. CbCR and notification must be filed electronically in English using OECD's XML Schema standardized electronic format.</li> </ul>
			<p>Legally effective for fiscal years as from 1 January 2016</p>

# CZECH REPUBLIC

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept has not been implemented yet. However, it is recommended by the tax authorities to follow the OECD TP Guidelines with regards to the Master File and the Local File.</li> <li>- Master File and Local File are typically requested by the tax authorities during external tax audits.</li> <li>- Submission deadline: On request of tax authorities 8-30 days as part of a tax inspection.</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). The deadline for such notification is three or six months of the end of the tax period.</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 exceeding EUR 750 million in the previous year.</li> <li>- Submission deadline: Within twelve months after the end of the reporting fiscal year.</li> <li>- Language: Czech or English. English is recommended.</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: In the case of first-time reporting, the deadline is generally by the end of the reporting fiscal year in the Czech language. Afterwards, only changes need to be reported (within 15 days of the reportable event).</li> <li>- Penalties: Up to CZK 1.5 million. CZK 500,000 for failure to notify. Otherwise, the penalty is up to CZK 600,000.</li> <li>- The Czech Republic 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>Legally effective for fiscal years as from 1 January 2016</p>

# DENMARK



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.
- Requirements / thresholds:
  - A group employs more than 250 employees (FTE).
  - A group employs fewer than 250 employees (FTE), but its group revenue exceeds DKK 250 million or the group's net profit exceeds DKK 125 million. Otherwise, the group is exempted from the obligation to prepare full documentation.
  - Entities performing transactions with group companies within non-DTA countries or countries outside the EU or the EEC are always required to prepare documentation for those controlled transactions, regardless of the transaction volume.
- Deadline for the preparation: The TP documentation has to be prepared not later than the deadline for filing the tax return for the fiscal year, i.e. 30 June 2019 for a company with the calendar year (1 January 2018 – 31 December 2018) as the fiscal year.
- *Special regulation due to COVID-19 pandemic:* The tax return deadline for fiscal year 2019 and thus for the preparation of TP documentation was extended until 1 September 2020.
- Submission deadline: There is no filing requirement. The documentation is submitted only at the request of the tax authorities. The submission deadline is 60 days, i.e. two months, after receiving a request from the Danish tax authorities. There is no possibility to extend this deadline.
- The Danish Parliament has enacted a Bill in December 2020, which will require Danish entities to file the full TP documentation for a given year from FY 2021 (2022 if the fiscal year is not the calendar year) within a deadline of 60 days of the deadline for the submission of the tax return. This important change has an effect for fiscal years commencing on 1 January 2021. This means that most Danish entities with the calendar year as the fiscal year have to file the full TP documentation (Master File, Local File and various intercompany agreements) for FY 2021 online not later than 29 August 2022.
- Duty of notification: No
- Language: Danish, Norwegian, Swedish or English
- Penalties: There are two levels of sanctions.
  - Disclosure of information: This applies to all controlled transactions within the scope of the income tax return. The penalty for providing incorrect or misleading information, whether intentionally or negligently, will be the higher of the two amounts:
    - 0.5% of revenues up to DKK 500 million, 0.1% of the remainder up to DKK 1 billion and 0.05% of revenues over DKK 1 billion (no cap), or
    - DKK 250,000 for companies with up to 50 employees. For every further 50 employees (up to 500 employees), this amount increases each time by DKK 250,000. In companies with more than 500 employees the penalty will be DKK 2.5 million.
  - All penalties are cumulative and may be increased by 50% if the breach relates to a systematic breach of the tax rules, which is the case if more than one of the above penalties is imposed.
- Preparation of documentation: If the Group is not a SME, see above. A company may be fined up to DKK 250,000 per fiscal year, if the TP documentation is not submitted within the deadline of 60 days or if the submitted documentation is considered insufficient. If adequate documentation is submitted after the deadline, the standard penalty may be reduced to 50% or DKK 125,000 per year. If the Danish tax authorities make an upward adjustment based on the prices of the controlled transactions and assume that they do not comply with the arm's length principle, the documentation penalty will be increased by 10% of the total upward income adjustment.

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.
- Threshold: Group revenue of at least EUR 750 million (DKK 5.6 billion) in the previous fiscal year.
- Submission deadline: Twelve months of the last day of the fiscal year for which the CbCR is prepared.
- Surrogate filing: Has been implemented since the fiscal year 2017.
- Secondary filing: Has been implemented since the fiscal year 2017.
- Language: Danish, Norwegian, Swedish or English
- Duty of notification: A Danish group entity is required to inform the Danish tax authorities until the end of the reporting year about which ultimate parent / surrogate parent files the CbCR in electronic form. The Danish group entity is required to make such a notification on an annual basis.
- The notification is required online (the previous form is not valid any more).
- Penalties: Ranging between EUR 10,000 and EUR 50,000 per company.
- Denmark is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").
- OECD's XML format for submission has been implemented.

Legally effective for fiscal years as from 1 January 2017 and optionally for 2016

Legally effective for fiscal years as from 1 January 2016

# ESTONIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has not been implemented yet. Since 2007, Estonia has had in place a similar documentation concept that closely follows the Master File concept, though.</li> <li>- Local documentation requirements:             <ul style="list-style-type: none"> <li>- Requirements / thresholds:                 <ul style="list-style-type: none"> <li>- For resident credit institutions, insurance companies and corporate groups registered on the stock market;</li> <li>- If one transaction party is an entity with tax residency in a low-tax jurisdiction;</li> <li>- For resident corporate groups with at least 250 employees (including associated entities), or with 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> <li>- For non-resident corporate groups, operating in Estonia via a permanent establishment and having at least 250 employees (including associated entities), or 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> </ul> </li> <li>- Deadline for the preparation: 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 receiving their request.</li> <li>- Duty of notification: No</li> <li>- Language: The documents may be submitted in a foreign language. The tax authorities may, however, request a translation of the documents into Estonian, setting 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> </li> </ul>		<ul style="list-style-type: none"> <li>- The CbCR according to BEPS 13 has been implemented for FYs starting from 2016.</li> <li>- Threshold: Annual consolidated group revenue of at least EUR 750 million in the preceding year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year.</li> <li>- Language: Estonian or English</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Within six months of the end of the fiscal year in English or Estonian.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- EUR 3,300 and extended period of limitations for tax audits (five 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 3,300 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>- OECD's XML format for submission has not been implemented yet.</li> </ul>
			<p>Legally effective for fiscal years as from 1 January 2016</p>

# FINLAND



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has basically been incorporated into the domestic legislation based on Section 14b of the Act on Assessment Procedure (“Laki Verotusmenettelystä”).
- Requirements / thresholds:
  - Number of employees: 250 or more (on a group level); or
  - Group revenue of over EUR 50 million and balance sheet total of over EUR 43 million (both on a group level); and
  - A company fulfils the criterion set in Commission Recommendation 2003 / 361 / EC (“SME”); and
  - If the value of intra-group transactions with each of the affiliated entities during the fiscal year is less than EUR 500,000, a Master File is not required. A Local File must still be prepared, but there is a significant relief as regards its contents.
- Deadline for the preparation: Not earlier than six months of the end of the fiscal year.
- Submission deadline: Within 60 days after receiving a request from the tax authorities.
- Duty of notification: No
- Language: Finnish, Swedish or English
- Penalties: Maximum penalty of EUR 25,000
- The same stipulations (concerning thresholds, deadlines, penalties etc.) apply to the Local File as to the Master File.

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016 based on Sections 14d and 14e of the Act on Assessment Procedure (“Laki Verotusmenettelystä”).
- Threshold:
  - A parent entity of a MNE group and a foreign company with a PE in Finland for CIT purposes; and
  - Annual consolidated group revenue of at least EUR 750 million in the previous year.
- Submission deadline: Within twelve months of the end of the fiscal year.
- Language: Finnish, Swedish or English
- Surrogate filing: Has been implemented
- Secondary filing: Has been implemented
- Duty of notification: Generally by the end of the fiscal year.
- Penalties: Maximum penalty of EUR 25,000
- Finland is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).
- OECD’s XML format for submission has been implemented.

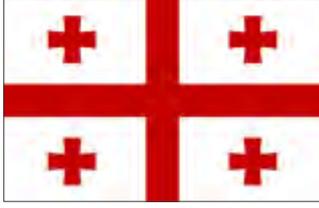
Legally effective for fiscal years as from 1 January 2017

Legally effective for fiscal years as from 1 January 2016

# FRANCE

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 was incorporated into the domestic legislation in January 2018, and is therefore effective for tax audits starting from 2019 ("Finance Bill for 2018").</li> <li>- Requirements / thresholds: Annual revenue or gross assets of at least EUR 400 million (calculated either at the level of a French enterprise or at the level of a direct or indirect parent company or subsidiary).</li> <li>- Local File: Concept according to BEPS Action 13 including French specificities for financial year starting as at 1 January 2018 (e.g. the reconciliation of management accounts eventually used for transfer pricing purposes and of statutory accounts).</li> <li>- Requirements / thresholds: The aggregated amount by category of transactions carried out between the French company and one or more related companies exceeds EUR 100,000 for the financial year. Also if the revenue is below the threshold, transfer pricing documentation can be requested by the French tax administration during a tax audit to understand transactions with foreign affiliated companies.</li> <li>- Deadline for the preparation: No specified deadline</li> <li>- Submission deadline: Within 30 days after receiving a request (as part of a tax audit), an extension of 30 additional days (for 60 days in total) is possible.</li> <li>- Duty of notification: The entities concerned must file the form 2257-SD. It can be filed along with the annual corporate tax return (at the beginning of May), but no later than the beginning of November.</li> <li>- Languages: Should be prepared in French. Files in English are not officially recognised, but can be 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 income tax adjustment.</li> <li>- The 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 in the previous year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year.</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 at the beginning of May for companies closing the year on 31 December and submitting the CbCR in France. No notification duty when automatic exchange of CbCR is implemented and another country submits the CbCR.</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>Legally effective for fiscal years as from 1 January 2018</p>		<p>Legally effective for fiscal years as from 1 January 2016</p>	

# GEORGIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The implementation of the Master File concept according to BEPS Action 13 is expected.</li> <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 Profit Shifting (BEPS) Package.</li> <li>- Companies in Georgia are obligated to submit the Transfer Pricing Documentation only if it is requested by the tax authorities.</li> </ul>		<ul style="list-style-type: none"> <li>- The CbCR according to BEPS Action 13 has not been implemented yet, but is expected.</li> <li>- Georgia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>

# GERMANY

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- OECD's recommendations were implemented with slight modifications. The 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 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 in the previous year;</li> <li>- Other transactions: EUR 600,000 in the previous year.</li> </ul> </li> <li>- Deadline for the preparation: No</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 that is made usually as part of an external tax audit. 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 expiry of the deadline (with the upper limit of EUR 1 million).</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 consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>- Submission deadline: Within twelve months of 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 requirements results in a penalty of up to EUR 10,000.</li> <li>- Language: The CbCR tables must be completed 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>Legally effective for fiscal years as from 1 January 2017</p>		<p>Legally effective for fiscal years as from 1 January 2016</p>	

# HONG KONG (S.A.R.)

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Thresholds: Applies to a Hong Kong (S.A.R.)- based entity of a MNE group. Except for fiscal years in which two of the following conditions are met:             <ul style="list-style-type: none"> <li>- Entity's total annual revenue: Not more than HKD 400 million;</li> <li>- Entity's balance sheet total: Not more than HKD 300 million;</li> <li>- Entity's average number of employees: Not more than 100.</li> </ul> </li> <li>- Deadline for the preparation and submission: Within nine months of 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 50,000 or HKD 100,000</li> </ul>	<ul style="list-style-type: none"> <li>- Thresholds: Applies to a Hong Kong (S.A.R.) - based entity of a MNE group. Except for fiscal years in which two of the following conditions are met:             <ul style="list-style-type: none"> <li>- Entity's total annual revenue: Not more than HKD 400 million;</li> <li>- Entity's balance sheet total: Not more than HKD 300 million;</li> <li>- Entity's average number of employees: Not more than 100.</li> </ul> </li> <li>- 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 real properties (whether movable or immovable but excluding financial assets and intangibles) is not more than HKD 220 million;</li> <li>- Transfer of tangibles is not more than HKD 110 million;</li> <li>- Transfer of financial assets and intangibles is not more than HKD 110 million;</li> <li>- Other transactions are not more than HKD 44 million.</li> </ul> </li> <li>- Deadline for the preparation and submission, duty of notification, languages and penalties are identical as for 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 (or HKD 6.8 billion) for the previous fiscal year.</li> <li>- Deadline for the preparation and submission: Within twelve months of the end of the relevant fiscal year or by the date specified by an auditor, whichever is the earlier.</li> <li>- Languages: English or Chinese</li> <li>- Surrogate Filing: Has been implemented</li> <li>- Secondary Filing: Has been implemented; Even if requisite conditions are met, a Hong Kong (S.A.R.) entity is not required to file the CbCR if the CbCR for the relevant accounting period has been filed by another Hong Kong (S.A.R.) entity of the reportable group.</li> <li>- Duty of notification: Every Hong Kong (S.A.R.) entity is required to file a notification within three months of the end of the relevant fiscal year containing the relevant information to determine the obligation to file a CbCR. The entity will receive a document confirming the filing of such a notification.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- For non-submission: HKD 50,000. A further penalty of HKD 100,000 and HKD 500 per day will be imposed if the offence continues after conviction.</li> <li>- With intention to provide false or misleading information, or to commit fraud: HKD 50,000 and imprisonment for three years.</li> </ul> </li> <li>- Hong Kong (S.A.R.) 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>Legally effective for fiscal years as from 1 April 2018</p>			<p>Legally effective for fiscal years as from 1 January 2018</p>

# HUNGARY

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</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 twelve months of the end of the fiscal year;</li> <li>- If the Hungarian entity prepares the Master File: Within the deadline for submitting the corporate income tax return.</li> </ul> </li> <li>- Submission deadline: Only at the request of the tax authorities, usually at short notice (within three days).</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. As of 1 January 2018, all transactions can be included in one package of documentation, but these must be then presented separately.</li> <li>- Deadline for the preparation: The Local File must be prepared until the submission of the corporate income tax return (i.e. within five months of the end of the fiscal year).</li> <li>- <u>Special regulation due to COVID-19 pandemic</u>: Filing deadline was postponed for the FY 2019 until 30 September 2020.</li> <li>- Submission deadline: Within three days. 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>- Deadline for the preparation and submission: The CbCR should be filed within twelve 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>- Threshold: Consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Electronic filing until the end of the reporting 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 has been developed for the purpose of filing the CbCR with the Hungarian tax authority.</li> </ul>
<p>Legally effective for fiscal years as from 1 January 2018</p>			<p>Legally effective for fiscal years as from 1 January 2016 or 1 January 2017</p>

# INDIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds: The consolidated group revenue for the previous reporting year must be at least INR 5 billion (approx. EUR 63 million) and additionally either the aggregate value of international transactions is at least INR 500 million or transaction volumes exceed INR 100 million with regard to intangibles.</li> <li>- Submission deadline: Annually on or before the deadline for filing the income tax return i.e. 30 November.</li> <li>- Every company (w.e.f. FY 2019-2020, irrespective of whether or not it made an international transaction during the year) 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 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 "Joint Commissioner designated by 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>- The already existing Local File requirements are to a large extent in line with the OECD's Master File concept.</li> <li>- Threshold: The aggregate value of international transactions exceeding INR 10 million (approx. EUR 122,249); additional requirements for local transactions.</li> <li>- Preparation deadline: W.e.f FY 2019-2020, deadline for filing Form 3CEB is one month prior to the due date of filing the income tax return. Therefore the deadline is on or before 30 October.</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 Action 13 has been implemented for FYs starting from April 2016.</li> <li>- Threshold: Consolidated group revenue is at least INR 55 billion (approx. EUR 701 million) in the preceding reporting year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting year.</li> <li>- Language: English</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Two months prior to the 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 6,270).</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 data transmission format similar to the OECD's XML format has been implemented.</li> </ul>
<ul style="list-style-type: none"> <li>- <i>Special regulation due to COVID-19 pandemic:</i> The due-date of Form 3CEB for FY 2019 - 2020 was extended to 15 January 2021. Thus the TP Documentation is required to be prepared by this date.</li> </ul>			
<p>Legally effective for fiscal years as from 1 April 2016</p>			<p>Legally effective for fiscal years as from 1 April 2016</p>

# INDONESIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- Annual gross revenue in the previous fiscal year exceeded IDR 50 billion (if the taxpayer has operated for less than twelve months, the revenue should be annualised); or</li> <li>- The value of annual related-party transactions in the previous fiscal year exceeded:                 <ul style="list-style-type: none"> <li>- IDR 20 billion for transactions involving the 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 based in a country or jurisdiction with a lower rate of Corporate Income Tax (CIT) than the rate applicable in Indonesia (22% for FY 2020 &amp; FY 2021 and 20% for FY 2022 onwards).</li> </ul> </li> <li>- Deadline for the preparation of the Master File and the Local File: Within four months of the end of the fiscal year.</li> <li>- Submission deadline: Within 14 days after requested by Tax Authority; the information on the availability date must be filed along with the annual CIT return in the disclosure form.</li> <li>- Duty of notification: In a separate disclosure form along with the CIT return.</li> <li>- Language: The documentation must be filed in the local language.</li> <li>- Taxpayers who have an approval to use a foreign language or currency may prepare the documentation using that foreign language, however it also needs to be accompanied with the translated Indonesian version.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- Failure to submit the disclosure form along with CIT return results in an administrative penalty of IDR 1 million and the CIT return may be deemed incomplete.</li> <li>- If the Master File and Local File is not submitted on time upon request, Taxpayer will be deemed to have failed to fulfil the TP Document obligation. In such cases, the arm's length principle of Taxpayer's transactions may be tested through Tax Authority's own assessment.</li> </ul> </li> </ul>		
<p>Legally effective for fiscal years as from 1 January 2016</p>			

# ISRAEL

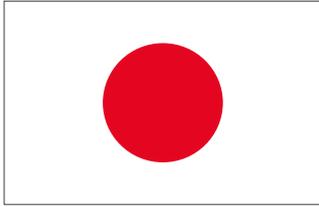
	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has not been incorporated into the domestic legislation, but is expected. In October 2020, an update to a proposed 2017 draft bill (which was approved in its first reading) proposes the incorporation of Master File / Local File documentation requirements aligned with the BEPS requirements adopted by the OECD. Currently, the pre-BEPS transfer pricing regulations, based on Section 85A of the Israeli Tax Ordinance ("ITO"), have been effective since 2006.</li> <li>- Language: Assumed to be Hebrew or English, but not specified yet.</li> </ul>		<ul style="list-style-type: none"> <li>- The CbCR according to BEPS Action 13 has not been implemented yet. In October 2020, an update to a proposed 2017 draft bill (which was approved in its first reading) proposes the incorporation of CbCR requirements aligned with the BEPS requirements adopted by the OECD.</li> <li>- Threshold: According to the proposed legislation, a revenue threshold of ILS 3 billion (around EUR 750 million) would require CbCR.</li> <li>- Submission deadline: Proposed to be within a year of the end of each fiscal year.</li> <li>- Surrogate filing: Proposed that such an approval may be granted upon request.</li> <li>- Secondary filing: Has not been implemented yet.</li> <li>- Penalties: Proposed that failure to submit the CbCR will be considered as violating the obligation to file the tax return. Accordingly, standard penalties would apply.</li> <li>- Israel 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>

# Country-specific regulations

# ITALY

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been generally incorporated into the domestic legislation.</li> <li>- OECD's recommendations were implemented with slight modifications. The nature, content and scope of the documentation are laid down in the Provision by the Italian Fiscal Authority of 23 November 2020.</li> <li>- Thresholds for preparing the Master File: None</li> <li>- Thresholds for preparing the Local File: None</li> <li>- Deadline for the preparation: Date of submission of the tax return for the corresponding year (digital signature with the corresponding signature date is needed)</li> <li>- Submission deadline: Within 20 days after receiving a request from the Tax Administration that is made usually as part of an external tax audit. No submission required e.g. along with the annual tax return.</li> <li>- Duty of notification: Yes (within the annual tax return)</li> <li>- Language: As a rule, the Local File must be submitted in Italian. The Master File and the attachments can be submitted in Italian or in English.</li> <li>- Penalties: In case of non-compliance of the documentation between 90% and 180% of the additional taxation.</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: Annual consolidated group revenue of at least EUR 750 million in the previous year.</li> <li>- Submission deadline: Within twelve months of 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: Along with the annual tax return (this applies to the Italian parent company and Italian subsidiaries).</li> <li>- Penalties: From EUR 10,000 to EUR 50,000 per company</li> <li>- Language: Italian. Table 3 of the report has to be filed in both Italian and English.</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 for submission has been implemented.</li> </ul>
<p>Legally effective for fiscal years as from 23 November 2020</p>			<p>Legally effective for fiscal years as from 1 January 2016</p>

# JAPAN

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds: All Japanese corporations and foreign corporations with a Japanese PE that is a Constituent Entity of a multinational enterprise group with total consolidated revenue of JPY 100 billion or more in the preceding year.</li> <li>- Submission deadline: Twelve months of the fiscal year end of the Ultimate Parent Entity. Form available from e-Tax (only in Japanese) and a PDF format file must be filed.</li> <li>- Language: Japanese or English</li> <li>- Duty of notification: Japanese corporation or foreign corporation's PE in Japan.</li> <li>- Penalties: A fine of up to JPY 300,000 in case of non-submission without good reason.</li> </ul>	<ul style="list-style-type: none"> <li>- Requirements / thresholds: Corporations with the total volume of transactions with foreign related parties of at least JPY 5 billion in the previous fiscal year, or with the total volume of transactions involving intangibles (sum of inflows and outflows) of at least JPY 300 million.</li> <li>- Deadline for the preparation: Corporations with the total volume of transactions with foreign related parties of at least JPY 5 billion in the previous fiscal year, or with the total volume of transactions involving intangibles of at least JPY 300 million should prepare the documentation by the due date of the tax return.</li> <li>- Submission deadline: Specified by tax auditors; as a rule, within 45 days or 60 days of the date of the tax audit.</li> <li>- Language: Any language, but a translation into Japanese may be requested.</li> <li>- Penalties: In case of non-submission the tax authority shall estimate the arm's length price.</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: All Japanese corporations and foreign corporations with a PE that is a Constituent Entity of a multinational enterprise group with total consolidated revenue of JPY 100 billion or more in the preceding year.</li> <li>- Submission deadline: Within twelve months of the end of the ultimate parent entity's fiscal year.</li> <li>- Language: English</li> <li>- Direct filing: Japanese corporation (limited to Ultimate or Surrogate Parent Entity).</li> <li>- Local filing: Japanese corporation or foreign corporation's PE in Japan that is a member of a corporate group.</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Until the end of the fiscal year (CbC law sec. 7)</li> <li>- Penalties: Fine of up to JPY 300,000 in case of non-submission without good reason.</li> </ul>
	<p>Duty of Notification for the Ultimate Parent Entity:</p> <ul style="list-style-type: none"> <li>- Threshold: All Japanese corporations and foreign corporations with PE that is a Constituent Entity of a multinational enterprise group with total consolidated revenue of JPY 100 billion or more in the preceding year.</li> <li>- Submission deadline: End of the ultimate parent entity's fiscal year. Form available from e-Tax.</li> <li>- Language: Japanese</li> <li>- Penalty: No</li> </ul>		<ul style="list-style-type: none"> <li>- Japan is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>- OECD's XML and CSV format for submission has been implemented. Additionally, a form available from e-Tax (only in Japanese) must be filed.</li> </ul>
	<p>Legally effective for fiscal years as from 1 April 2016 (Master File) and 1 April 2017 (Local File)</p>		<p>Legally effective for fiscal years as from 1 April 2016</p>

# KAZAKHSTAN

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- The ultimate parent of a MNE, a subsidiary, a consolidated entity of a MNE Group or 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 of at least EUR 750 million (approx. KZT 382 billion) in the previous fiscal year and the parent entity of a MNE is resident in Kazakhstan.</li> <li>- Submission deadline: No later than within twelve months of the date of receiving the request from the State Revenue Committee of the Ministry of Finance (hereinafter referred to as "Tax Committee").</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- The ultimate parent of a MNE, a subsidiary, a 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 ultimate parent of a MNE, a subsidiary, a consolidated entity of a MNE or MNE's permanent establishment is not less than KZT 15.6 billion (approx. EUR 28.6 million) in the previous fiscal year.</li> <li>- Submission deadline: No later than within twelve months of the end of the reporting fiscal year. Thus, reporting for the first reporting period (2019) should be submitted no later than 31 December 2020.</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>- Requirement / threshold: The group generated annual consolidated group revenue of at least EUR 750 million (KZT 382 billion) in the previous fiscal year and the parent entity of a MNE is resident in Kazakhstan.</li> <li>- Submission deadline: The CbCR must be filed within twelve months of the end of the reporting fiscal year in the form determined by the Tax Committee; other entities have to submit CbCR no later than within twelve months of the date of receiving the request from the Tax Committee.</li> <li>- Language: Kazakh and Russian if the filing entity is registered in Kazakhstan; English possible, if the filing entity is not registered in Kazakhstan.</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: The Tax Committee should be notified no later than 1 September of the year following the reporting fiscal year.</li> <li>- Penalties: Up to EUR 3,000, depending on the size of the company.</li> <li>- Kazakhstan 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>
	<ul style="list-style-type: none"> <li>- Language: Russian or Kazakh</li> <li>- Penalties: Non-submission may result in a fine of up to EUR 3,000, depending on the entity's size, revenue and number of employees.</li> </ul>		
	<p>Legally effective for fiscal years as from 1 January 2019</p>		<p>Legally effective for fiscal years as from 1 January 2016</p>

# KENYA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has not been incorporated into the domestic legislation 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 are no revenue thresholds. Also small and medium-sized enterprises must adhere to the applicable TP documentation rules.</li> <li>- Deadline for the preparation: The deadline for preparing documentation is the same as the deadline for filing the tax return (i.e. within six 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 of any changes in the group structure or related-party transactions and update their TP policy accordingly.</li> <li>- Language: The books of account and other documents should 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 non-compliance with the accounting regulations. The penalty is 10% of the amount of tax arrears or at least KES 100,000.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>- Kenya is now a signatory to the Multilateral Competent Authority Agreement on the Exchange of Country by Country Reports (the "CbC MCAA"). This means that the Kenyan Revenue Authority can get information from other competent tax authorities under the Treaty Framework.</li> <li>- Information shared includes: client name, address, tax number, dates, bank account number, name and ID of the bank, account balance at the end of the year and gross investment income.</li> <li>- The treaty was ratified in 2020 and the exchange of ratification instruments took place.</li> </ul>

# LATVIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master and Local File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- The Master File must be submitted if the total value of transactions with related parties exceeds EUR 15 million; or</li> <li>- Revenue of the company exceeds EUR 50 million and the total value of transactions with related parties exceeds EUR 5 million.</li> <li>- If the revenue of the company is below EUR 50 million and the total value of transactions with related parties is between EUR 5 million and EUR 15 million, the Master File must be submitted within one month after receiving a request.</li> </ul> </li> <li>- Submission deadline: Twelve months of the fiscal year-end (electronic submission only).</li> <li>- Language: English language is allowed, nevertheless a translation into Latvian may be requested.</li> </ul>	<ul style="list-style-type: none"> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- Must be submitted, if the total value of transactions with related parties exceeds EUR 5 million;</li> <li>- If the total value of transactions with related parties exceeds EUR 250,000 but is below EUR 5 million, the Local File must be submitted within one month after receiving a request (electronic submission).</li> </ul> </li> <li>- Submission deadline: Twelve months of the end of the fiscal year (electronic submission only).</li> <li>- Language: Latvian</li> <li>- Local documentation requirements: In line with Latvia's local documentation requirements, the documentation must be submitted within one month after receiving a request from the tax authority.</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 in the reporting fiscal year of at least EUR 750 million.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year.</li> <li>- Language: Latvian</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Until the last day of the reporting year.</li> <li>- Penalties: For non-submission maximum EUR 3,200.</li> <li>- Latvia 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. Other formats are recommended (e.g. ODP, ODE, DOCX, XLSX, PDF).</li> </ul>
	<ul style="list-style-type: none"> <li>- Penalties: Up to 1% of the value of transactions. The penalty is limited to maximum EUR 100,000.</li> </ul>		<p>Legally effective for fiscal years as from 1 January 2016</p>
	<p>Legally effective for fiscal years as from 1 January 2018</p>		

# LIECHTENSTEIN

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- The implementation of the Master File concept is formally regulated by Article 31 et seq. SteV and is based on the OECD TP Guidelines.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- Taxpayers being members of a MNE group (participation of at least 25%); and</li> <li>- A group with a consolidated revenue exceeding CHF 900 million in the previous reporting year;</li> <li>- Transactions concerning the purchase and sale of goods of CHF 1 million, or all other income and expenses of CHF 250,000 (Article 31b (1) et seq. SteV).</li> </ul> </li> <li>- Submission deadline: At the request of the tax authority, within 60 days.</li> <li>- Language: The documentation may be filed in German or English.</li> <li>- Duty of notification: No</li> <li>- Penalties: Non-compliance with the assessment proceedings (Article 135 SteG ) 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 two or all size criteria according to Article 1064 (2) PGR. (Two of the following three criteria must be met: Balance sheet total of CHF 25.9 million; net sales of CHF 51.8 million; average of 250 employees)</li> </ul>		<ul style="list-style-type: none"> <li>- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2017 (CbC law, sec. 30).</li> <li>- Threshold: Annual consolidated group revenue of at least CHF 900 million in the previous reporting year (CbC law sec. 2 sub-sec. 2c).</li> <li>- Submission deadline: Within 12 months after the end of the reporting fiscal year (CbC law sec. 6 sub-sec. 4);</li> <li>- Language: German or English (CbC-V, sec. 3)</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Notification duty: Report to the tax office until the last day of the fiscal year concerned.</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) as well as up to CHF 20,000 for the breach of the obligation to disclose information (CbC law section 21).</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>Legally effective for fiscal years as from 1 January 2018</p>			<p>Legally effective for fiscal years as from 1 January 2017</p>

# LITHUANIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Thresholds:             <ul style="list-style-type: none"> <li>- The Master File is obligatory if the taxpayer is a part of a MNE group and its annual revenue exceeded EUR 15 million in the previous fiscal year.</li> <li>- The taxpayer is obliged to prepare the Local File if its annual revenue for the previous fiscal year exceeded EUR 3 million.</li> <li>- Transactions below EUR 90,000 are not to be documented.</li> </ul> </li> <li>- Deadline for the preparation: The 15th day of the 6th month of the following fiscal year.</li> <li>- Submission deadline: After receiving a request from the tax authorities.</li> <li>- Duty of notification: No</li> <li>- Language: As a rule – Lithuanian, but the documentation in English is usually accepted in practice.</li> <li>- Penalties: EUR 1,820 – EUR 5,590 for non-compliance with the procedure of preparing the TP documentation (in the case of repeated infringements, the penalty is EUR 3,770 – EUR 6,000).</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 preceding year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year.</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 reporting fiscal year.</li> <li>- Penalties: Up to EUR 390 for non-compliance with the CbCR and notification requirements.</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>Legally effective for fiscal years as from 1 January 2019</p>			<p>Legally effective for fiscal years as from 1 January 2016</p>

# LUXEMBOURG

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Transfer Pricing Documentation should be in line with the rules set out in the Transfer Pricing Guidelines of the Organisation for Economic Cooperation and Development (OECD).</li> <li>- Luxembourg has however currently no primary legislation regarding the filing of the Master File and Local File as defined in BEPS Action 13.</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: Applies to MNEs with annual consolidated group revenue equal to or exceeding EUR 750 million in the previous year. Regulations extend to subsidiary entities.</li> <li>- Submission deadline: Must be filed no later than twelve months after the last day of the reporting fiscal year of the MNE group.</li> <li>- Language: CbCR can be filed in English.</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: The entity must notify the tax authorities by the end of the fiscal year. Notification is to be made via e-notification through the "My Guichet" system.</li> <li>- Penalties: A maximum penalty of EUR 250,000 in case of wrong / late filing can be applied. In addition the statute of limitations for tax audits may be extended.</li> <li>- Luxembourg 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>Legally effective for fiscal years as from 1 January 2016</p>

# MALAYSIA



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.
- Thresholds for the Local File:
  - Entities with gross income exceeding MYR 25 million and total volume of related-party transactions exceeding MYR 15 million; or
  - Entities with the volume of financial assistance exceeding MYR 50 million (excluding financial institutions).
  - Entities, in the case of which the above thresholds are not exceeded, may elect to prepare "abridged" Transfer Pricing Documentation.
- Deadline for the preparation: The Master File and Local File must be finalised by the time of lodging the corporate income tax return.
- Submission deadline: The Master File and the Local File do not have to be submitted along with the tax return. However, they should be submitted within 30 days after receiving a request from the tax authority.
- 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 for the fiscal years starting on or after 2014.
- Language: English or Malaysian
- Penalties:
  - Failure to furnish up-to-date transfer pricing documentation: fine of MYR 20,000 - MYR 100,000, or imprisonment not exceeding six months, or both;
  - Surcharge on transfer pricing adjustments: 5% on any upward or downward adjustment by the Malaysian tax authorities.
  - Transfer pricing documentation prepared but not according to the requirement of the Malaysian tax authorities: 25% of the tax adjustment;
  - Incorrect return and information: 100% of tax undercharged.

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2017.
- Threshold: The CbCR applies to multinationals headquartered in Malaysia with annual consolidated group revenue exceeding MYR 3 billion in the preceding fiscal year.
- Submission deadline: The CbCR must be submitted to the tax authorities within twelve months of the end of the fiscal year.
- Language: English or Malaysian
- Surrogate filing: Has been implemented
- Secondary filing: Has not been implemented
- Duty of notification: By the end of the fiscal year
- Penalties: from MYR 20,000 to MYR 100,000 for failure to notify.
- Malaysia is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR ("CbC MCAA").
- OECD's XML format for submission has been implemented.

Legally effective for fiscal years from 1 January 2017. Penalty for failure to furnish up-to-date transfer pricing documentation and surcharge on transfer pricing adjustments are effective from 1 January 2021.

# MEXICO

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- Mexican companies with a revenue of at least MXN 842,149,170 in the previous year (for 2020); or</li> <li>- Entities whose shares are listed on the stock exchange; or</li> <li>- Companies being members of the optional tax regime for corporate groups; or</li> <li>- PEs of foreign residents.</li> </ul> </li> <li>- Deadline for the preparation and submission: If the fiscal year ends in the months between June and December, no later than by 31 December of the following year. 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> <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 172,480 and MXN 245,570 for failure to submit the Local File or the Master File. The same applies if the Local File or the Master File contains incorrect or incomplete information; further non-financial penalties.</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. This does not apply to cases when the companies elect to file the statutory tax return (via a tax consultant). Then, 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 been implemented for FYs starting from 2016.</li> <li>- Threshold: Annual consolidated group revenue of at least MXN 12 billion in the previous fiscal year.</li> <li>- Submission deadline: Until 31 December of the following year; except for companies whose FY does not correspond to the calendar year (deadlines as those for the Master File).</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Notification duty: No</li> <li>- Languages: Must be filed in Spanish.</li> <li>- Penalties: From MXN 172,480 to MXN 245,570 for non-submission of the CbCR or filing an incomplete / incorrect CbCR; further non-financial penalties.</li> <li>- Mexico 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. The CbCR is filed through the application available from the tax authorities' website.</li> </ul>
<p>Legally effective for fiscal years as from 1 January 2016</p>			

# NETHERLANDS

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds: MNEs with annual consolidated group revenue of at least EUR 50 million.</li> <li>- Deadline for the preparation: 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 fiscal year. The deadline for the preparation may be extended by an additional eleven months (5+11).</li> <li>- Submission deadline: No submission required. In the case of a tax audit, the documentation should be provided immediately. In practice, a period of approx. four weeks is accepted.</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 are applied in addition to the obligations arising from BEPS Action 13. In the case of a consolidated group revenue of 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 over EUR 750 million in the previous year.</li> <li>- Submission deadline: Within twelve 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 of up to EUR 870,000 (as of 1 January 2020) or up to four years imprisonment. A shift of the burden of proof applies in all cases.</li> <li>- The 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>Legally effective for fiscal years as from 1 January 2016</p>			

# NIGERIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds: The threshold is set at NGN 300 million.</li> <li>- Duty of notification and deadline for the preparation: The tax authorities require all companies to provide precise information on transactions with related parties together with their Corporate Income Tax Return within six months after the end of the fiscal year. The tax authorities assume that taxpayers carrying out significant transactions have prepared the Transfer Pricing Documentation and have it in place at all times.</li> <li>- Submission deadline:             <ul style="list-style-type: none"> <li>- If controlled transactions of a company exceed NGN 300 million, the Master File and the Local File should be submitted within 21 days of receipt of the Federal Inland Revenue Service (FIRS) notice requesting the submission of the Transfer Pricing Documentation;</li> <li>- If controlled transactions of a company are below NGN 300 million, the Master File and the Local File should be submitted within 90 days of receipt of the FIRS notice requesting the submission of the Transfer Pricing Documentation.</li> </ul> </li> <li>- Language: English</li> <li>- Penalties: NGN 10 million for the first month in the case of failure to submit the documentation and NGN 10,000 for each further day of the default.</li> </ul>		<ul style="list-style-type: none"> <li>- The CbCR according to BEPS Action 13 has been implemented for FYs starting from January 2018.</li> <li>- Threshold: Multinational enterprise groups originating from Nigeria with consolidated revenues of NGN 160 billion.</li> <li>- Submission deadline: 12 months of the end of the fiscal year.</li> <li>- Language: English</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has not been implemented</li> <li>- Duty of notification: Nigerian subsidiaries of foreign MNEs are required to notify the FIRS of the identity and tax residence of the entity filing the CbCR on behalf of the group. This notification is expected to be filed no later than the last day of the group's fiscal year.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- Duty of notification: NGN 5 million for the failure to file a notification and NGN 10,000 for each further day of the default.</li> <li>- NGN 10 million for the failure to file the CbCR within the statutory deadline and NGN 1 million for each further month in which the failure continues. Filing incorrect or false report results in a penalty of NGN 10 million.</li> </ul> </li> <li>- Nigeria is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>- The OECD XML format for submission has not been implemented. However, an OECD-approved format has been implemented instead.</li> </ul>
<p>Legally effective for fiscal years as from 12 March 2018</p>			<p>Legally effective for fiscal years as from 1 January 2018</p>

# PHILIPPINES

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has not been incorporated into the domestic legislation.</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 local documentation requirements have been laid down in the Philippine Transfer Pricing Guidelines. 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 legislation has not been revised or adapted by the Bureau of Internal Revenue (BIR).</li> <li>- Since 2019 the BIR has issued Transfer Pricing Audit Guidelines under Revenue Audit Memorandum Order (RAMO) No. 1-2019 which provides for standardised audit procedures and techniques in auditing taxpayers with related-party or intra-company transactions to ensure a quality audit.</li> <li>- In July 2020, the BIR released several additional guidelines requiring taxpayers to disclose all related-party transactions in BIR Form 1709 together with attachments of documents as support for the taxes paid. Included in the attachment is any Transfer Pricing Documentation.</li> <li>- In December 2020, the BIR released RR 34-2020, which sets thresholds for those who are required to file Form 1709 and provide TPD. Key Management Personnel are exempted from the requirement to file Form 1709. Companies are no longer required to report any transaction between the KMP and the reporting entity.</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 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>- The Philippines is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>
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# POLAND

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</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>- Applies to the ultimate parent entity of a MNE group with tax residency in Poland (in some cases the subsidiary or the PE are required to submit CbCR).</li> <li>- Threshold: Annual consolidated group revenue of at least PLN 3,250 million or EUR 750 million in the previous fiscal year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year.</li> <li>- Language: Polish</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Penalty: Up to PLN 1 million</li> <li>- Duty of notification: for FY 2019 and later within three months of the end of the fiscal year. For FYs 2016 – 2018 must be filed by the last day of the reporting period.</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>
	<ul style="list-style-type: none"> <li>- Requirements / thresholds: Consolidated group revenue exceeded PLN 200 million in the previous fiscal year.</li> <li>- Deadline for the preparation: Twelve months of the end of the fiscal year.</li> <li>- Submission deadline: seven days at the request of the tax authorities and 30 days after receiving a request for translation of the Master File into Polish (if the Master File was prepared in English).</li> <li>- Duty of notification: No</li> <li>- Language: English or Polish (at the request of the tax authorities)</li> <li>- Penalties: See Local File</li> </ul>	<ul style="list-style-type: none"> <li>- Requirements / thresholds:                             <ul style="list-style-type: none"> <li>- Sale / purchase of goods, assets, taking out / granting of loans, suretyships – PLN 10 million;</li> <li>- Sale / purchase of services, intangible assets, rental, lease, licences – PLN 2 million;</li> <li>- Transactions with an entity located in a tax haven – PLN 100,000;</li> <li>- Transactions made by an entity whose beneficial owner is located in a tax haven – PLN 500,000;</li> <li>- Benchmarking analysis obligatory for every documented transaction.</li> </ul> </li> <li>- Deadline for the preparation: Nine months after the end of the fiscal year.</li> <li>- Submission deadline: Within seven days at the request of the tax authorities; 30 days for additional transactions indicated by the inspectors.</li> <li>- Duty of notification: A statement confirming the arm’s length nature of a transaction to be submitted in electronic form.</li> <li>- Language: Polish</li> <li>- Penalties:                             <ul style="list-style-type: none"> <li>- 10% of the amount of the misstated / overstated tax loss or the taxable income not shown in the portion resulting from the tax assessment notice;</li> <li>- 20%, if the tax base for the tax liability exceeds PLN 15 million in the portion of the excess over this amount, or if the taxpayer has not submitted tax documentation;</li> <li>- 30% if the above-mentioned circumstances occur simultaneously.</li> </ul> </li> </ul>	
	<ul style="list-style-type: none"> <li>- <i>Special regulation due to COVID-19 pandemic</i>: Extension of the obligation to prepare transfer pricing documentation until                             <ul style="list-style-type: none"> <li>- 31 December 2020 – for the original deadline between 31 March 2020 and 30 September 2020, or</li> <li>- more than three months – for the original deadline between 1 October 2020 and 31 January 2021</li> </ul> </li> </ul>		
	<p>The Master File concept legally effective for fiscal years as from 1 January 2017; New regulations effective as from 1 January 2019</p>		<p>Legally effective for fiscal years as from 1 January 2016</p>

# PORTUGAL

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The transfer pricing documentation organized as Master File / Local File, in accordance with BEPS Action 13, is accepted, provided that it contains the elements listed in the national regulation (relevant information and its supporting documentation plus documentation regarding cost sharing agreements and intragroup service provision).             <ul style="list-style-type: none"> <li>- Requirements / thresholds: Taxpayers with net revenue / other income exceeding EUR 3 million in the previous year must prepare the documentation.</li> <li>- Deadline for the preparation: Transfer pricing documentation must be prepared until the 15th day of the seventh month after the end of the fiscal year.</li> <li>- Submission deadline: At the request of the tax authority. Either immediately or at a date specified by the tax authority.</li> <li>- <i>Special regulation due to COVID-19 pandemic</i>: Submission deadline of the Local File was extended until 31 August 2020.</li> <li>- Duty of notification: Each year, taxpayers must submit a Declaration of Tax and Accounting Information (IES), which contains information about the related parties, the value of each controlled transaction and availability of the documentation. For the Local File, the last day of the fifth month following the end of the fiscal year.</li> </ul> </li> <li>- Language: Portuguese but documents in a foreign language may be accepted, provided that the taxpayer seeks prior approval from the tax authorities.</li> <li>- Penalties: Ranging between EUR 500 to EUR 10,000, plus a 5% surcharge per each day of the delay, will be imposed for failure to comply with the documentation requirements. For any inaccuracies in the information provided a penalty of EUR 375 to EUR 22,500 will be imposed.</li> <li>- The Companies' Simplified Information ("IES") include Annex H, Tables O31 and O32 effective from 2019 onwards for control purposes and due to the need of disaggregated information.</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.</li> <li>- This threshold also applies to subsidiaries under certain conditions.</li> <li>- The CbCR must be filed electronically, using Form 55, within twelve months of the end of the group's fiscal year.</li> <li>- Language: Portuguese</li> <li>- Surrogate filling: Has been implemented</li> <li>- Secondary filling: Has been implemented as from 1 January 2017.</li> <li>- Duty of notification: Within five months of the end of the fiscal year (Form 54) or until the last day of the 5th month following the end of the tax period (in cases where the tax period does not coincide with the calendar 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>- For any inaccuracies in CbCR a penalty of EUR 375 to EUR 22,500 will be imposed.</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>Legally effective for fiscal years as from 1 January 2016</p>			

# REPUBLIC MOLDOVA

	<b>Master File</b>	<b>Local File</b>	<b>CbCR</b>
	<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>- Republic Moldova is not a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li></ul>

# ROMANIA



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has not been implemented yet. However, the Local File should contain Group information as mandated by Order 442/2018 regarding the transfer pricing content.
  - Local documentation requirements:
    - Requirements / thresholds:
      - Large companies (based on the classification by the tax authorities) whose transactions with related parties exceed the following thresholds:
        - EUR 200,000 for interest paid / received;
        - EUR 250,000 for services acquired / rendered;
        - EUR 350,000 for transactions involving receipt or supply of goods;
      - Deadline for the preparation: This category of taxpayers (large) has the obligation to prepare and have available the Transfer Pricing Documentation file by the time the annual Corporate Income Tax Return is filed with the Romanian tax authorities (i.e. by the 25th of the third month following the end of the fiscal year).
      - Submission deadline: It must be presented at the request of the tax authorities within maximum ten calendar days, even outside a tax audit, but no earlier than ten days after the deadline for the Corporate Income Tax Return.
    - Medium and small companies whose transactions with affiliates exceed the following thresholds:
      - EUR 50,000 for interest paid / received;
      - EUR 50,000 for services acquired / rendered;
      - EUR 100,000 for transactions involving receipt or supply of goods;
    - Submission deadline: Submission of documentation at the 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.
- Language: Romanian
- Duty of notification: No
- Penalties: Failure to present the Transfer Pricing Documentation file, or its incomplete presentation, may result in fines ranging between RON 12,000 and RON 14,000 (or EUR 2,500 – EUR 3,100) and estimation of transfer prices by the tax authorities based on generally available information on similar transactions, as the arithmetic mean of prices for at least three similar transactions.

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.
- Threshold: A Romanian tax-resident entity that is the ultimate parent entity of a multinational enterprise (MNE) group with consolidated revenue of EUR 750 million or more in the previous year and is required to prepare consolidated financial statements of the group.
- Submission deadline: Within twelve months of the fiscal year end.
- Language: Romanian and other official EU languages.
- Surrogate filing: Has been implemented
- Secondary filing: Has been implemented
- Duty of notification: Until the end of the reporting year of a MNE, but no later than the deadline for submitting the income tax return for the previous fiscal year.
- Penalties:
  - For late submission or incomplete / incorrect data a penalty ranging from RON 30,000 (approx. EUR 6,100) to RON 50,000 (approx. EUR 10,200) applies;
  - For non-submission a penalty ranging from RON 70,000 (ca. EUR 14,400) to RON 100,000 (ca. EUR 20,500) applies.
- Romania signed the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").
- OECD's XML format for submission has been implemented.

Legally effective for fiscal years as from 1 January 2016

# RUSSIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- Tax residents – annual consolidated group revenue of at least RUB 50 billion for the period prior to the reporting fiscal year;</li> <li>- Tax non-residents – depending on the local thresholds of the holding company’s country of residence.</li> </ul> </li> <li>- Submission deadline: Within three months after receiving a request from the tax authorities, but not earlier than twelve months and not later than 36 months after the reporting fiscal year-end.</li> <li>- The Master File may be filed with the tax authorities in electronic form or may be compiled in any form in accordance with the legal requirements.</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 to 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>- Transactions exceeding RUB 60 million:                 <ul style="list-style-type: none"> <li>- Cross-border transactions with foreign affiliated entities;</li> <li>- Transactions with global exchange-traded commodities;</li> <li>- Cross-border transactions with a party in offshore zones.</li> </ul> </li> <li>- Domestic transactions exceeding RUB 1 billion if at least one of the parties:                 <ul style="list-style-type: none"> <li>- pays Mineral Extraction Tax (MET) calculated at ad valorem rates; or</li> <li>- applies a special tax regime or a reduced profits tax rate; or</li> <li>- is fully exempt from profit tax; or</li> <li>- uses investment deduction.</li> </ul> </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 at the request of the tax authorities, but not earlier than 1 June of the year following the reporting period (for 2018 – 2019 reporting periods – not earlier than 31 December of the year following the reporting period).</li> <li>- The Local File may be filed with the tax authorities in electronic form or 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 plus RUB 100,000.</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>- Threshold:             <ul style="list-style-type: none"> <li>- Tax residents: Annual consolidated group revenue of at least RUB 50 billion for the period prior to the reporting fiscal year;</li> <li>- Tax non-residents: Depending on the local thresholds of the holding company’s country of residence.</li> </ul> </li> <li>- Submission deadline: May be filed only by the holding company or an entity authorised by the holding company within twelve months of the end of the reporting fiscal year in electronic form.</li> <li>- Duty of filing a notification of participation in a multinational enterprise group: Notification must be filed within eight months of the end of the reporting fiscal year.</li> <li>- Language: In Russian with numerical data in RUB if filed by the Russian company.</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 CbCR or for submitting the CbCR containing inaccurate information (penalties are not applicable to 2017 – 2019).</li> <li>- Russia 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 and the preliminary version (implemented starting from May 2018) is compliant with the OECD’s XML format.</li> </ul>
	<p>Legally effective for fiscal years as from 1 January 2017</p>	<p>Legally effective for fiscal years as from 1 January 2019</p>	<p>Legally effective for fiscal years as from 1 January 2017</p>

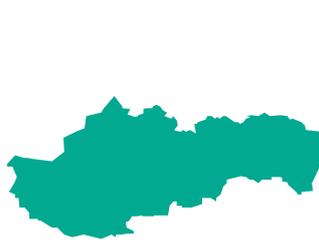
# SERBIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The form of the TP report is precisely defined and is mostly reconciled with BEPS Regulations, albeit the documentation could be considered as a hybrid between BEPS Master File and Local File</li> <li>- No bill for the implementation of the Master File has been drafted to date.</li> <li>- Local documentation requirements:             <ul style="list-style-type: none"> <li>- Thresholds: Transactions with associated enterprises 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: Serbian tax authorities accept 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 can be imposed.</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 January 2020.</li> <li>- Threshold: Annual revenue exceeded EUR 750 million in the previous fiscal year.</li> <li>- Submission deadline: Within twelve months after the end of the reporting fiscal year.</li> <li>- Serbia 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>Legally effective for fiscal years as from 1 January 2020</p>

# SINGAPORE

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- Singapore has not adopted the application of the Master File and Local File as separate documents. The Master File concept according to BEPS Action 13 has been implemented. Sec. 34F of the Singapore Income Tax Act outlines the comprehensive requirements for the preparation of the Transfer Pricing Documentation (“TPD”).</li> <li>- Requirements / thresholds: Effective 2019, TPD must be prepared if either the annual gross revenue derived from trade is more than SGD 10 million or TPD was required to be prepared for the previous assessment period.             <ul style="list-style-type: none"> <li>- Companies are exempt from the obligation to prepare TPD if their gross revenue is below SGD 10 million for the reference period and the two immediately preceding periods.</li> <li>- Past TPDs can be used for the following two years if the relevant facts in the TPD are the same as in the prior years.</li> </ul> </li> <li>- Preparation deadline: The same as the deadline for filing the tax return (30 November for paper filing, 15 December for electronic filing). The date of preparing TPD needs to be indicated.</li> <li>- Submission deadline: Within 30 days following IRAS’ request; no submission along with the tax return is required.</li> <li>- Duty of notification: A separate form must be completed and submitted along with the tax return if the value of related party transactions exceed SGD 15 million.</li> <li>- Language: 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 TPD until the date of filing the tax return;</li> <li>- Failure to prepare the TPD in accordance with the TPD rules;</li> <li>- Failure to keep the TPD on file for a period of five years;</li> <li>- Failure to submit the TPD within 30 days following IRAS’ request; and</li> <li>- Providing false or misleading information to 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 fiscal years starting from 2017.</li> <li>- Threshold:             <ul style="list-style-type: none"> <li>- The ultimate parent entity (“UPE”) of the MNE group is a tax resident in Singapore;</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 twelve months of the end of the UPE’s FY.</li> <li>- Surrogate filing: Has not been implemented</li> <li>- Secondary filing: Has not been implemented</li> <li>- Duty of notification: No; if the company is headquartered in Singapore, notification of specific information has to be made three months before the filing deadline for CbCR.</li> <li>- Languages: 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 six months;</li> <li>- The CbCR containing false / misleading information: A fine of up to SGD 10,000 and imprisonment for up to two 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>Legally effective for fiscal years as from 23 February 2018</p>			<p>Legally effective for fiscal years as from 1 January 2017</p>

# SLOVAKIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- The BEPS Action 13 requirements largely apply to the “Complete Documentation” and partly to the “Basic Documentation”.</li> <li>- Thresholds: No (in principle, there is an obligation to indicate the transaction volume in the tax return).</li> <li>- Three types of documentation (depending on the taxable entity and the transaction):             <ul style="list-style-type: none"> <li>- Complete documentation: E.g. for cross-border transactions with a volume exceeding EUR 10 million; for material cross-border transactions of companies subject to the IFRS accounting obligations; for material cross-border transactions with entities located in tax havens; for applications for Advance Pricing Agreements, for Mutual Agreement Procedures (MAP); for material cross-border transactions involving tax reliefs;</li> <li>- Basic documentation: E.g. cross-border transactions with a volume exceeding EUR 1 million; for material cross-border transactions of the taxpayer with revenues exceeding EUR 8 million in the tax period; for material domestic transactions involving tax reliefs;</li> <li>- Abridged documentation (prepared as a form): e.g. for certain immaterial transactions or certain domestic transactions</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 or the Financial Directorate; electronic filing.</li> <li>- Language: Submission in Slovakian, documentation in foreign languages can be accepted, but an approval of the tax administrator or the Financial Directorate is required.</li> <li>- Penalties: Fines of up to EUR 3,000 in the case of non-compliance.</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 twelve months of the end of the fiscal year.</li> <li>- Language: Slovakian</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 (on a separate form), i.e. three months of the end of the fiscal year.</li> <li>- <u>Special regulation due to COVID-19 pandemic</u>: The tax return deadline for the FY 2019 has been extended until the end of the pandemic. Consequently the extension of the deadline for filing the notification applies to the year 2019.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- In the case of non-compliance with 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 has not been implemented but is based on OECD's XML format.</li> </ul>
<p>Legally effective for fiscal years as from 1 January 2018</p>			<p>Legally effective for fiscal years as from 1 January 2016 or 1 January 2017</p>

# SLOVENIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been implemented.</li> <li>- Requirements / thresholds: The parent company of a MNE as a Slovenian resident or a foreign company owns at least 25% of shares in a foreign / local company (or control of voting rights, or management control or control contract)</li> <li>- Deadline for the preparation: By the end of March for the previous fiscal year or within three months after the end of the fiscal year if different than the calendar year.</li> <li>- Submission deadline: During the tax audit within 90 days at the latest</li> <li>- Duty of notification: By the end of March for the previous fiscal year (deadline for filing the Corporate Income Tax Return)</li> <li>- Language: English or Slovenian</li> <li>- Penalties: Up to EUR 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 2017.</li> <li>- Threshold: Consolidated revenue of EUR 750 million or more.</li> <li>- Submission deadline: Twelve months after the last day of the fiscal year</li> <li>- Language: The language agreed between Tax Authorities or Slovenian if justified.</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: By the end of March for the previous fiscal year or within three months of the end of the fiscal year if different than the calendar year.</li> <li>- Penalties: Up to EUR 30,000 for the entity and up to EUR 4,000 for the person in charge.</li> <li>- Slovenia 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>Legally effective for fiscal years as from 2017</p>			

# SOUTH AFRICA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- The company is required to file the CbCR in South Africa; or</li> <li>- The value of all cross-border transactions exceeds ZAR 100 million in the year of assessment (Master File and Local File). These companies must also provide specified records for transactions that exceed ZAR 5 million.</li> <li>- Submission deadline: Within twelve months after the last day of the group's fiscal year, if the company is required to file Master File, Local File and CbCR.</li> <li>- Companies which are not required to submit the CbCR in South Africa but which exceed the threshold for submitting Master File and Local File are required to submit Master File and Local File within twelve months of the end of the reporting fiscal year. The first submission deadline is therefore 30 September 2018, if the end of the fiscal year is September.</li> </ul> </li> <li>- Duty of notification: Yes</li> <li>- Language: English</li> <li>- Penalties: ZAR 250 per month up to ZAR 16,000 per month</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 exceeding ZAR 10 billion or EUR 750 million in the previous fiscal year.</li> <li>- Deadline for the preparation or submission: Within twelve months of the end of the reporting fiscal year of the MNE.</li> <li>- Language: English</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has been implemented</li> <li>- Duty of notification: Any Constituent Entity of an MNE group that is resident for tax purposes in South Africa must notify South African Revenue Service (SARS) no later than twelve months of the end of the reporting fiscal year of such a MNE about whether it is the Ultimate Parent Entity or the Surrogate Parent Entity. 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 twelve months of the end of the reporting fiscal year of such a MNE group.</li> <li>- Penalties: ZAR 250 per month up to ZAR 16,000 per month.</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>

Legally effective for fiscal years as from 1 January 2016

# SOUTH KOREA



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has been implemented. Articles 11 of the Korea Adjustment Of International Taxes Act outlines the comprehensive requirements for the preparation of the Transfer Pricing Documentation (“TPD”).
- Requirements / thresholds: All Korean corporations and foreign corporations’ Korean PE (“Entity”) who meets both of the following conditions jointly:
  - The Entity’s annual sales revenue of over KRW 100 billion
  - An annual transaction volume of over KRW 50 billion with an overseas related party
- Deadline for the preparation: Within twelve months of the end of the Entity’s fiscal year.
- Submission deadline: Within twelve months of the end of the Entity’s fiscal year.
- Duty of notification: No other duty except submission to the Korean National Tax Service
- Language: Korean. English is possible but its Korean version must be additionally submitted within one month.
- Currency: Korean Won (KRW)
- Penalties: KRW 10 million for the followings cases:
  - Failure to submit the completed TPD within the deadline
  - Providing false misleading information or incomplete TPD in accordance with the TPD rules;
  - Additionally, KRW 5 million for failure to report or incomplete reporting of each related party.

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from January 2015.
- Requirements / thresholds: All Korean corporations and foreign corporations’ Korean PE (“Entity”) with the total consolidated revenue of over KRW 1,000 billion or EUR 750 million in the preceding year.
- Deadline for the preparation and submission deadline: Within twelve months of the end of the Entity’s fiscal year.
- Surrogate filing: N / A
- Secondary filing: N / A
- Duty of notification: No other duty except submission to the Korean National Tax Service.
- Language: Korean or English
- Penalties: KRW 10 million for the followings cases:
  - Failure to submit the completed TPD within the deadline;
  - Providing false misleading information or incomplete TPD in accordance with the TPD rules;
  - Additionally, KRW 5 million for failure to report or incomplete reporting of each related party.
- Korea is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the “CbC MCAA”).
- OECD’s XML format for submission has been implemented.

Legally effective for fiscal years as from 1 January 2017

# SPAIN

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation. However, some local requirements differ from those established by the OECD.</li> <li>- Thresholds: Annual consolidated group revenue of at least EUR 45 million 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: The Master File and the Local File must be prepared within six months and 25 days after the end of the fiscal year.</li> <li>- Submission deadline: At the 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 within eleven 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 into Spanish 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 2015, Spain has introduced simplified documentation requirements for entities belonging to groups of companies with annual revenue of below EUR 45 million.</li> </ul>		
<p>Legally effective for fiscal years as from 1 January 2016 (partly as of 2015)</p>			

# SWEDEN

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / threshold (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: Transactions with a volume of less than SEK 5 million do not require documentation. This exception only applies to intangible assets, which are immaterial to the company.</li> </ul> </li> <li>- Deadline for the preparation: Deadline for the preparation is the same as the deadline for filing the Corporate Income Tax Return, i.e. six months after the end of the financial year (1 July for calendar year). Filing of the Master File is not obligatory. The Master File should be submitted to the Swedish Tax Agency at 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 ultimate 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: Twelve months after the end of the fiscal year.</li> <li>- Language: 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>- As a rule, 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>Legally effective for fiscal years as from 1 April 2017</p>			<p>Legally effective for fiscal years as from 1 January 2016</p>

# SWITZERLAND

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has not been implemented, but is expected.</li> <li>- The Master File concept will most likely not be incorporated into 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 in the previous fiscal year (sec. 3 ALBAG).</li> <li>- Submission deadline:             <ul style="list-style-type: none"> <li>- Within twelve months after the end of the reporting fiscal year (sec.11 ALBAG). A Swiss ultimate parent company may voluntarily submit the CbCR before 2018 (sec. 30 ALBAG).</li> </ul> </li> <li>- Language: The CbCR may 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>Legally effective for fiscal years as from 1 January 2018</p>

# THAILAND

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation.</li> <li>- Requirements / thresholds: Taxpayers generating total revenue of THB 200 million or more per one accounting year.</li> <li>- Deadline for the preparation and submission:             <ul style="list-style-type: none"> <li>- Disclosure Form: To be prepared and submitted within 150 days from the close of the accounting period of the fiscal year (together with the submission of annual tax returns).</li> <li>- Documentation: TP Documentation should be prepared and kept on file for five years from the submission of the TP disclosure form. Taxpayer is required to submit the TP Documentation within 60 days after receiving a request letter from the TRD. Taxpayer can request a 120-day extension to respond. A 180-day extension is available for taxpayers if it is their first time receiving such letter.</li> </ul> </li> <li>- Duty of Notification:             <ul style="list-style-type: none"> <li>- Disclosure Form: A report filed with the annual tax return that contains information on intercompany relations and the value of intercompany transactions in each accounting period.</li> </ul> </li> <li>- Tax refund: Tax refund resulting from a transfer pricing adjustment may be requested within three years from the due date for filing the tax return or within 60 days of receiving written notice of a transfer pricing adjustment from the TRD.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- Failure to submit Disclosure Form or incorrect information: penalty not exceeding THB 200,000;</li> <li>- Tax shortfall: Penalty of 100% - 200% on tax shortfall;</li> <li>- Interest on penalties: 1.5% per month surcharge, capped at 100% of the tax shortfall.</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>- 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>- The TP law, passed by the National Legislative Assembly in September 2018, was enacted on 21 November 2018 and published in the Royal Gazette.</li> <li>- New sections relating to transfer pricing such as Section 71 and Section 35 were incorporated to the Thai Revenue Code. To date, there are no specific plans for the implementation of the CbCR requirements.</li> <li>- Thailand is not a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> </ul>
	<p>Legally effective for fiscal years as from 1 January 2019</p>		
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# TUNISIA

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been incorporated into the domestic legislation in October 2019 and is therefore effective for tax audits starting from 2021 (Finance Bill for 2020).</li> <li>- Requirements / thresholds:             <ul style="list-style-type: none"> <li>- Total operating and financial revenue of more than TND 200 million;</li> <li>- Transactions between companies must exceed TND 100 thousand excluding tax for each transaction category;</li> <li>- Limitation of transfer pricing control mechanisms to transactions carried out between companies resident in Tunisia which are dependent or controlled by other companies resident or established abroad.</li> </ul> </li> <li>- Submission deadline: Documents must be filed within the deadline for filing the annual Corporate Income Tax Return (25 days of the beginning of the third month following the last fiscal year, starting from 2020).</li> <li>- Language: In French; files in English are not officially recognised, but can be accepted in practice.</li> <li>- Duty of notification: The submission deadline is 40 days of receipt of a request from the Tunisian tax authorities. There is no possibility to extend this deadline.</li> <li>- Penalties: Up to TND 10,000 for non-compliance with the submission deadline and TND 50 for every case of providing incorrect or incomplete information in the case of files, maximally TND 5,000.</li> <li>- According to the currently applicable local requirements, a price reduction in transactions between related parties may result in an adjustment by the tax authority.</li> </ul>		<ul style="list-style-type: none"> <li>- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2020.</li> <li>- Threshold: Annual consolidated group revenue of more than TND 1.636 million in the previous year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year.</li> <li>- Language: In French; Files in English are not officially recognised, but can be accepted in practice.</li> <li>- Surrogate filing: Not yet defined</li> <li>- Secondary filing: Not yet defined</li> <li>- Duty of notification: The submission deadline is 40 days of receipt of a request from the Tunisian tax authorities. There is no possibility to extend this deadline.</li> <li>- Penalties: Up to TND 50,000 for non-compliance with the submission deadline and TND 100 for every case of providing incorrect or incomplete information in the case of files, maximally TND 10,000.</li> <li>- Tunisia 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>Legally effective for fiscal years as from 1 January 2020</p>			

# TURKEY

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been implemented for FYs starting from 2019.</li> <li>- Thresholds: The Master File must be prepared by corporate taxpayers whose assets and net revenue exceed TRY 500 million.</li> <li>- Deadline for the preparation: Within twelve months of the end of the reporting fiscal year.</li> <li>- Submission deadline: At the request of tax authorities.</li> <li>- Duty of notification: No</li> <li>- Language: Turkish</li> <li>- Penalty: Fine of TRY 2,300</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 two sets of documents:             <ul style="list-style-type: none"> <li>- Annual transfer pricing report;</li> <li>- 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: Total transaction volume of more than TRY 30,000.</li> </ul> </li> <li>- Deadline for the preparation: Within the deadline for filing the CIT return (25 April if the fiscal year is the calendar year).</li> <li>- Submission deadline: Within 15 days of receipt of a request from the Tax Administration.</li> <li>- Duty of notification: No</li> <li>- Language: Turkish</li> <li>- Penalties: Fine of TRY 2,300</li> </ul>	<ul style="list-style-type: none"> <li>- The CbCR according to BEPS Action 13 has been implemented for FYs starting from January 2019.</li> <li>- Threshold: Ultimate parent companies of multinational groups whose annual consolidated group revenue exceeded EUR 750 million in the previous year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year. The due date for submitting the first CbCR of the MNE groups, whose ultimate parent entity or surrogate entity is in Turkey, for the accounting period of 2019 and special accounting periods ending in January 2020 and February 2020 via BTRANS has been extended until the end of 31 March 2021. The due date for submitting the first CBCR of the MNE groups, whose ultimate parent entity or surrogate entity is not in Turkey, for the accounting period of 2019 and special accounting periods ending in January, February, March, April and May via BTRANS has been extended until the end of 30 June 2021.</li> <li>- Language: Turkish</li> <li>- Surrogate filing: Not defined</li> <li>- Secondary filing: Not defined</li> <li>- Duty of notification: In writing, until October 2020 (for FY 2019). For the following years by the end of June.</li> <li>- Penalty: Fine of TRY 2,300</li> <li>- Turkey is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").</li> <li>- Implementation of OECD's XML format for submission is expected.</li> </ul>
<p>Legally effective for fiscal years as from 1 January 2019</p>			

# UKRAINE

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has been implemented. The first Master File has to be prepared for the fiscal year 2021.</li> <li>- Requirements / thresholds: Annual consolidated revenue of MNE group for the preceding year at least EUR 50 million.</li> <li>- Deadline for the preparation: No</li> <li>- Submission deadline: 90 calendar days of receipt of the tax authority's request, which will not be earlier than twelve months of the end of fiscal year.</li> <li>- Duty of notification: Report on controlled transactions and notification about participation in a MNE group must be filed until 1 October of the fiscal year following the reporting year</li> <li>- Language: Ukrainian. Documents in foreign language must be accompanied with translation.</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- 300-times the living minimum for failure to submit the Master File and the report on controlled transactions (in 2021 the penalty is UAH 681,000);</li> <li>- 50-times the living minimum for failure to submit the notification about participation in a MNE group (in 2021 the penalty is UAH 113,500);</li> <li>- Further penalties may be imposed for incomplete disclosure and for continuing non-compliance.</li> </ul> </li> </ul>	<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>- UAH 150 million - the taxpayer's annual revenue; and</li> <li>- UAH 10 million - value of transaction(s)</li> <li>- For transactions between a non-resident entity and its Ukrainian permanent establishment only the second threshold (UAH 10 million value of transaction(s) must be met).</li> </ul> </li> <li>- Deadline for the preparation: No</li> <li>- Submission deadline: 30 calendar days of receipt of the tax authority's request, which will not be sent earlier than 1 October of the following calendar year.</li> <li>- Duty of notification: same as for the Master File</li> <li>- Language: Ukrainian</li> <li>- Penalties: 3% of the value of undocumented transactions, but not exceeding 200-times the subsistence minimum (in 2021 this penalty is UAH 454,000). Further penalties may be imposed for incomplete disclosure and for continuing non-compliance.</li> </ul>	<ul style="list-style-type: none"> <li>- The CbCR according to BEPS Action 13 has been implemented.</li> <li>- The new rules are applicable first in respect of the fiscal year ending in 2021, but not before Ukraine becomes signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR.</li> <li>- Thresholds: Annual consolidated MNE group revenue of at least EUR 750 million in the previous year.</li> <li>- Penalties: 1000-times the living minimum for failure to submit the CbCR (in 2021 this penalty is UAH 2,270,000). Further penalties may be imposed for continuing non-compliance.</li> <li>- Ukraine 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>Legally effective for fiscal years as from 1 January 2021</p>			

# UNITED ARAB EMIRATES

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<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 been implemented for FYs starting from 2019.</li> <li>- Threshold: Annual consolidated group revenue of at least AED 3.150 million in the previous year.</li> <li>- Submission deadline: Within twelve months of the end of the reporting fiscal year.</li> <li>- Language: English</li> <li>- Surrogate filing: Has been implemented</li> <li>- Secondary filing: Has not been implemented</li> <li>- Duty of notification: By the end of the fiscal year of the parent entity.</li> <li>- Penalties: AED 50,000 – AED 1,000,000; regarding notification AED 1,000,000 – AED 1,250,000</li> <li>- The UAE 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>Legally effective for fiscal years as from 1 January 2019</p>

# UNITED KINGDOM



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has not been implemented in the United Kingdom (UK). The UK, however, generally follows the OECD TP Guidelines regarding the documentation.
- In the UK, the main transfer pricing rules are set out in Part four of the Taxation (International and Other Provisions) Act 2010 (TIOPA):
  - Her Majesty's Revenue and Customs (HMRC) requires Transfer Pricing Documentation to follow the Chapter V of the 2017 OECD TP Guidelines.
  - HMRC will also accept any documentation prepared in accordance with the EU's Code of Conduct.
  - Thresholds: Global consolidated revenue of the Group exceeds EUR 750 million.
  - Submission deadline: Within 30 days after receiving a request from the UK tax authorities.
  - Duty of notification: Notification is not required.
  - 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.
  - *Special regulation due to COVID-19 pandemic*: HMRC may accept COVID-19 related delays as a reasonable excuse in respect to delays in data / penalty appeals.

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.
- Threshold: Consolidated group revenue of at least EUR 750 million in the previous year.
- Submission deadline: Within twelve months of the end of the reporting fiscal year.
- Language: English
- Surrogate filing: Has been implemented
- Secondary filing: Has been implemented
- Duty of notification: By the end of the reporting fiscal year. For example, an entity whose fiscal year ends on 31 December 2021 will be required to notify HMRC by 31 December 2021. An Excel spreadsheet was created for this purpose that is to be sent to a dedicated HMRC mailbox.
- Penalties: Non-compliance with the CbCR results in a penalty ranging between GBP 300 and GBP 3,000.
- The UK is a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").
- OECD'S XML format for submission has been implemented.

Legally effective for fiscal years as from 1 January 2016

# USA



## Master File

## Local File

## CbCR

- The Master File concept according to BEPS Action 13 has not been implemented. Furthermore, a formal implementation of the OECD Master File concept is currently not planned since an equivalent concept is already in place.
- Local documentation requirements:
  - Requirements / thresholds: The requirements for the documentation are outlined in "Section 6662" of the Internal Revenue Code. There are no minimum thresholds for the preparation of the Local File documentation.
  - Deadline for preparation: Prior to filing of the federal income tax return each year.
  - Duty of notification: No
  - Penalties: 20% to 40% of additional tax payment due as a result of any proposed or ongoing adjustment related to transfer pricing made during an IRS audit.

- The CbCR according to BEPS Action 13 has been implemented for FYs starting from 2016.
- Threshold:
  - Annual consolidated group revenue of at least USD 850 million in the previous fiscal year;
  - Multinational enterprise (MNE) groups with a US-based parent.
- Submission deadline: The CbCR must be filed annually using 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 (LLCs and S Corps generally).
- Flow-through entities may be treated as corporations for tax purposes via an election field on Form 8832.
- A six-month extension of the deadlines for both corporate and flow-through entities is possible.
- Surrogate filing: Has not been implemented
- Secondary Filing: Has not been implemented
- Duty of notification: No
- Penalties: Between USD 10,000 and USD 50,000 in case of non-compliance with the CbCR.
- The USA is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of CbCR (the "CbC MCAA").
- OECD'S XML format for submission has been implemented.

Legally effective for fiscal years as from 30 June 2016

# VIETNAM

	<h2>Master File</h2>	<h2>Local File</h2>	<h2>CbCR</h2>
	<ul style="list-style-type: none"> <li>- The Master File concept according to BEPS Action 13 has basically been incorporated into the domestic legislation. Legal basis: Decree 20 / 2017 / ND-CP ("Decree 20") and Circular 41 / 2017 / TT-BTC ("Circular 41") effective 1 May 2017. Effective 20 December 2020, Decree 132/2020/ND-CP ("Decree 132") came into effect and replaced Decree 20. Decree 132 applies retrospectively from 1 January 2020.</li> <li>- Thresholds: Taxpayers who meet the following conditions are exempt from the obligation to prepare the Local File but not other aspects of Decree 132.             <ul style="list-style-type: none"> <li>- Only domestic related-party transactions where the related party has the same tax rate, and neither party enjoys tax incentives;</li> <li>- Revenue of below VND 50 billion and total volume of all related-party transactions of below VND 30 billion in a fiscal year;</li> <li>- Taxpayer signed an APA and submits annual APA report(s); or</li> <li>- Revenue of below VND 200 billion and taxpayers performing routine functions in transactions and applying the following EBIT to revenue ratios in the case of the following business activities: Distribution (5%), Manufacturing (10%), Processing (15%).</li> </ul> </li> <li>- Deadline for the preparation and submission: Before the date of submitting the annual tax return:             <ul style="list-style-type: none"> <li>- Disclosure Form: Within 90 days of the end of the financial year (together with the submission of the annual tax return).</li> <li>- Documentation: No deadline for submission, but should be prepared by the time of lodging tax returns to avoid penalties.</li> </ul> </li> <li>- Duty of notification:             <ul style="list-style-type: none"> <li>- Disclosure Form: Form 01 (Disclosure on related-party relationship and related-party transactions); Form 02 (Checklist for Local File); Form 03 (Checklist for Master File); and Form 04 (CbCR – applicable to companies with ultimate parent company in Vietnam with global consolidated revenue of at least VND 18,000 billion and having operations in many countries).</li> </ul> </li> <li>- Language: Vietnamese</li> <li>- Penalties:             <ul style="list-style-type: none"> <li>- Failure to comply with disclosure requirements: VND 700,000 – VND 5 million;</li> <li>- Tax adjustment: 20% penalty on additional taxes;</li> <li>- Interest: 0.03% interest per day on the outstanding tax due if a transfer pricing adjustment is made.</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 1 May 2017 (Art. 10 No. 4c).</li> <li>- Threshold:             <ul style="list-style-type: none"> <li>- The annual consolidated group revenue is at least VND 18,000 billion in the reporting fiscal year; or</li> <li>- Subsidiaries whose ultimate parent company must submit the CbCR are not required to submit the copy of the CbCR in case the CbCR is made available to the Vietnamese tax authorities as part of the AEOI procedures.</li> </ul> </li> <li>- Preparation deadline: The CbCR must be submitted twelve months of the end of the financial year of the UPE.</li> <li>- Surrogate filing: Has not been implemented</li> <li>- Secondary filing: Has not been implemented</li> <li>- Duty of notification: No</li> <li>- Language: Vietnamese</li> <li>- Penalties: See Master File and Local File</li> <li>- Vietnam 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>Legally effective for fiscal years as from 1 May 2017</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. It should be noted that COVID-19-related adjustments to the deadlines for CbC Reporting are shown on the appropriate country page of the brochure.

### 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	✗	✗	✗
Canada	✗	✗	✗
China	✓	✗	✓
Croatia	✓	✗	✓

# Country-by-Country-Reporting

Countries	Duty of notification	End of the reporting fiscal year	In the subsequent fiscal year
Cyprus	✓	✓	✗
Czech Republic	✓	✓	✗
Denmark	✓	✓	✗
Estonia	✓	✗	✓
Finland	✓	✓	✗
France	✓	✗	✓
Georgia	✗	✗	✗
Germany	✓	✗	✓
Hong Kong (S.A.R.)	✓	✗	✓
Hungary	✓	✓	✗
India	✓	✗	✓
Indonesia	✓	✗	✓
Israel	✗	✗	✗
Italy	✓	✗	✓
Japan	✓	✓	✗
Kazakhstan	✓	✗	✓
Kenya	✗	✗	✗
Latvia	✓	✓	✗
Liechtenstein	✓	✓	✗
Lithuania	✓	✓	✗
Luxembourg	✓	✓	✗
Malaysia	✓	✓	✗
Mexico	✗	✗	✗
Netherlands	✓	✓	✗
Nigeria	✓	✓	✗

# Country-by-Country-Reporting

Countries	Duty of notification	End of the reporting fiscal year	In the subsequent fiscal year
Philippines	✗	✗	✗
Poland	✓	✗	✓
Portugal	✓	✗	✓
Republic Moldova	✗	✗	✗
Romania	✓	✓	✗
Russia	✓	✗	✓
Serbia	✗	✗	✗
Singapore	✗	✗	✗
Slovakia	✓	✗	✓
Slovenia	✓	✗	✓
South Africa	✓	✗	✓
South Korea	✗	✗	✗
Spain	✓	✓	✗
Sweden	✓	✓	✗
Switzerland	✓	✗	✓
Thailand	✗	✗	✗
Tunisia	✓	✗	✗
Turkey	✓	✗	✓
Ukraine	✗	✗	✗
United Arab Emirates	✓	✓	✗
United Kingdom	✓	✓	✗
USA	✗	✗	✗
Vietnam	✗	✗	✗

# About us

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As attorneys, tax advisers, management and IT consultants and auditors, we are present with 109 own offices in 49 countries. Worldwide, our clients trust our 5,120 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 1991. 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.

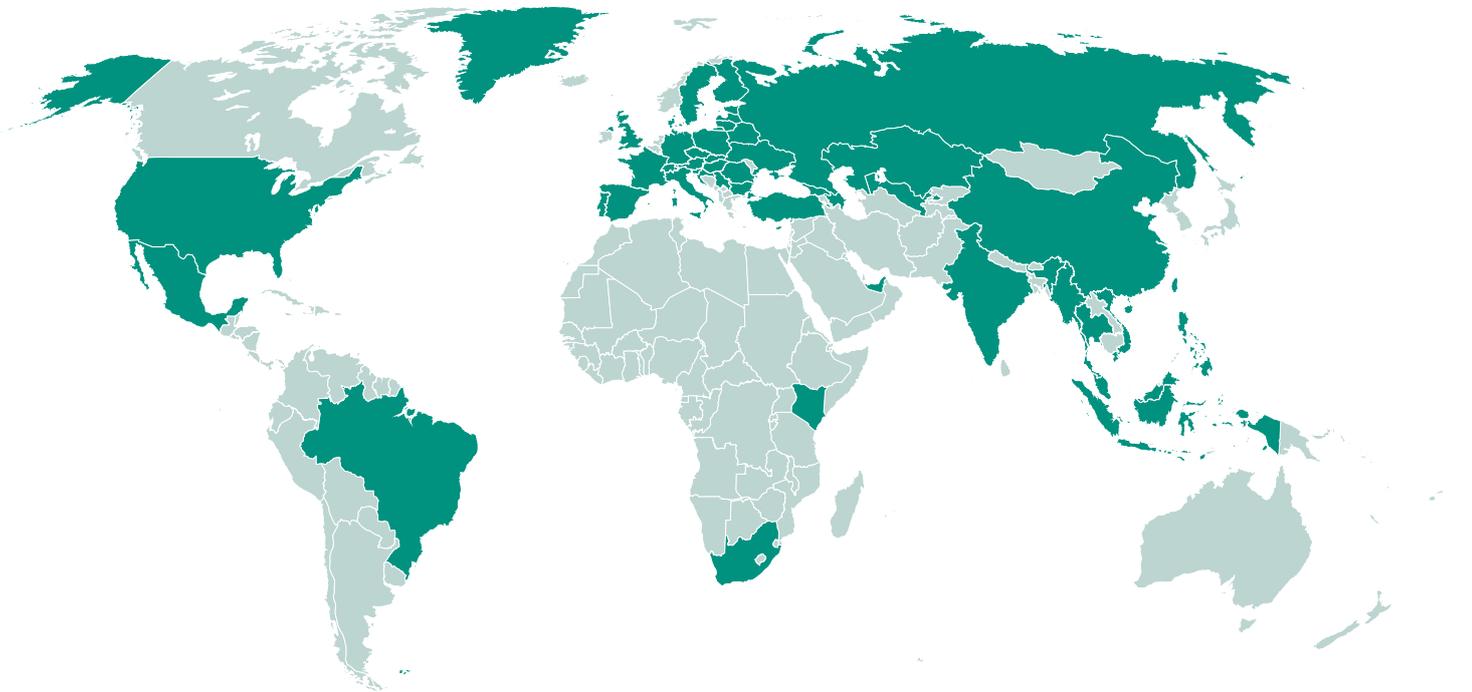
## What sets us apart

Rödl & Partner is not a collection of accountants, auditors, attorneys, 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.

# Rödl & Partner worldwide

Active at more than 109 wholly-owned locations  
in 49 countries



# Contact

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