

The Latest on BEPS and Beyond

November 2024

EY Tax News Update

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Highlights

The recent United States (US) elections have set former President Trump to return to the presidency in 2025 and the Republican Party will be in control of the Senate and the House. This political shift marks a new chapter for US policy and has sparked significant interest about its implications for global business and a Republican-controlled Senate and House enables President-elect Trump to enact his agenda on tax.

On the international tax front and, in particular, in relation with the Base Erosion and Profit Shifting (BEPS) 2.0 Project, the first-term Trump Treasury Department was involved with Organisation for Economic and Co-operation and Development (OECD)-led negotiations before walking away over the group's insistence that Pillar One be mandatory, arguing in December 2019 that the goals could be "substantially achieved" by making it a safe-harbor regime. Regarding Pillar Two, Republican opposition has grown since the Global Anti-Base Erosion (GloBE) Model Rules were agreed upon in December 2021 and focuses, specifically, on the idea that the backstop rule in Pillar Two - the Undertaxed Profits Rule (UTPR) - could apply to US earnings of US companies and cause tax payments to be paid to other countries.

The Trump administration and Republican-controlled Congress will need to decide to what degree to participate in the Inclusive Framework's negotiations of the Administrative Guidance. In that respect, they may push to reopen some areas of the Pillar Two administrative guidance. In particular, they may want to block the ability of foreign governments to impose UTPRs on US multinational enterprise (MNE) earnings, beyond the current delay from 2025 to 2026, under the UTPR safe harbor and to make permanent the blended controlled-foreign-companies-push-down guidance, which is helpful to US MNEs.

Nonetheless, developments in international taxation in the near future do not rely solely on US tax policy. Other large economies, like the European Union (EU) and China, will also influence how the outcome of the BEPS 2.0 Project will unfold. In the EU, where competitiveness will be at the heart of the agenda for the coming five years, a level playing field in the international tax environment will be a key element. As the Commissioner-elect responsible for taxation, Mr. Wopke Hoekstra, indicated in written answers to the European Parliament that the UTPR will be essential in achieving a level playing field. It will be interesting to see whether and how the distinct interests of the US and the EU are going to align at the OECD level.

Amid broader global tax discussions, businesses should also turn their attention to the EU's Public Country-by-Country Reporting (CbCR) requirements. Although the requirements are not yet uniformly enforced across the EU, early adopters like Romania are leading the way. Romanian authorities require MNE Groups with a calendar-year reporting period that meet specific thresholds to submit their Country-by-Country (CbC) report by 31 December 2024. Non-EU-headquartered companies operating in Europe should prepare now to ensure compliance with these new transparency obligations.

As 2024 draws to a close, businesses must remain vigilant in navigating the complex interplay between political developments and regulatory changes. The potential policy shifts under the new US administration, combined with ongoing uncertainty around UTPR implementation and evolving EU reporting requirements, highlight the need for proactive engagement and strategic planning.

BEPS 2.0

Country developments

Bahamas introduces Pillar Two legislation to Parliament

On 16 October 2024, the Bahamian government introduced its [Pillar Two legislation](#) to Parliament. This legislation reflects slight modifications to the draft legislation released for public consultation in August 2024. The legislation aims to implement a Qualified Domestic Minimum Top-up Tax (QDMTT), largely consistent with the OECD Model Rules.

The QDMTT will apply to fiscal years starting on or after 31 December 2023. However, if a Constituent Entity in the Bahamas is not subject to the Income Inclusion Rule (IIR) or the UTPR in another jurisdiction for the 2024 fiscal year, the QDMTT may not take effect until fiscal years starting on or after 1 January 2025.

At this time, the Bahamas will not implement either the IIR or UTPR.

Belgium releases public consultation on Pillar Two domestic minimum tax return

On 18 October 2024, the Belgian tax authorities opened a [public consultation](#) on the model template of the Belgian domestic minimum top-up tax (DMTT) return. The purpose of the consultation is to gather feedback that can contribute to improving and clarifying the DMTT return.

In-scope taxpayers with presence in Belgium are required to prepare and file a DMTT return. If an in-scope MNE or large domestic group has multiple Belgian entities, only one Belgian entity is required to submit the DMTT return. The DMTT return is due within 11 months following the fiscal year-end.

Stakeholders were invited to consult the draft DMTT template and to share comments and suggestions by 8 November 2024.

Curaçao Council of Ministers approves Pillar Two legislation

On 6 November 2024, the Curacao Council of Ministers approved draft legislation for the implementation of Pillar Two. The legislation proposes to implement a QDMT and the IIR, to ensure that MNE Groups are taxed at 15%.

If enacted, the legislation would be effective for fiscal years beginning on or after 1 January 2025.

Germany releases registration form for Pillar Two purposes

On 17 October 2024, the German Ministry of Finance (MoF) published the [Minimum Tax Group Head Notification Form](#), a concept specific to the German Minimum Taxation Rules which centralizes top-up tax payments and filing obligations at level of one single Constituent Entity, the Minimum Tax Group Head.

The Minimum Tax Group Head must electronically notify to the German Federal Central Tax Office (BZSt) and include, among other things, the following information:

- ▶ Name and address of the Minimum Tax Group Head and the Ultimate Parent Entity (UPE) – information regarding other Constituent Entities is not required
- ▶ Tax number of the Minimum Tax Group Head and the UPE
- ▶ Information on the determination of the position as Minimum Tax Group Head
- ▶ Contact data for the filing entity's contact person
- ▶ Name and address of a representative if the notification is filed by a representative (e.g., a tax advisor)

The notification is due within two months from the end of the calendar year in which the Group is in-scope of the German Minimum Tax Act. If the financial year of the MNE Group is equal to the calendar year, the first-time notification is due on 28 February 2025. If the financial year is different from the calendar year, the first-time notification deadline is 28 February 2026, in most cases.

See EY Global Tax Alert, [Germany Federal Ministry of Finance publishes Minimum Tax Group Head Notification Form](#), dated 23 October 2024.

Hong Kong releases outcome of Pillar Two public consultation

On 30 October 2024, the Hong Kong government released the [outcome](#) of its public consultation on Pillar Two implementation.

According to this communication, Hong Kong will implement the IIR and the Hong Kong minimum top-up tax (HKMTT) from 1 January 2025. The UTPR will be implemented at a later date based on further studies.

This document also outlines other changes, such as an extension in the due date for paying top-up taxes.

Isle of Man announces plan to implement Pillar Two

On 24 October 2024, the Isle of Man government released [draft legislation](#) to implement Pillar Two. The draft legislation includes a 15% Domestic Top-up Tax which is designed to achieve QDMTT status with the OECD. The Isle of Man also intends to implement an IIR, with the IIR to be known as the Multinational Top-up Tax. Both rules are anticipated to take effect on 1 January 2025.

The draft legislation does not include the UTPR, and there is currently no intention to implement a UTPR in the Isle of Man.

Jersey approves Pillar Two legislation

On 22 October 2024, the Jersey States Assembly adopted legislation to implement the IIR and a Multinational Corporate Income Tax (MCIT). The MCIT will operate alongside Jersey's existing corporate tax system for groups subject to Pillar Two.

The legislation will take effect for fiscal years starting on or after 1 January 2025 and does not include the UTPR.

Luxembourg updates Pillar Two legislation

On 31 October 2024, the Luxembourg government submitted a [Draft Law](#) to Parliament introducing several amendments to the Pillar Two legislation. The Draft Law aims to incorporate the clarifications and additional provisions from various tranches of OECD Administrative Guidance on Pillar Two.

Among other things, the amendments aim to implement the guidance on allocation of profits and taxes involving flow-through entities and provide the framework for a more detailed implementation (through decrees that still need to be issued) of the 2024 June Administrative Guidance on deferred tax liability recapture, divergence between GloBE and accounting carrying values, and allocation of cross-border current and deferred taxes.

The amendments are intended to become effective for financial years starting from 31 December 2023.

See EY Global Tax Alert, [Luxembourg updates draft legislation amending Pillar Two Law reflecting June 2024 OECD guidance](#), dated 7 November 2024.

Portugal approves Pillar Two legislation

On 18 October 2024, the Portuguese Parliament approved the [Pillar Two legislation](#), which aligns with the EU Minimum Tax Directive and the GloBE Model Rules. The legislation introduces the IIR and QDMTT, which will apply for fiscal years starting on or after 1 January 2024, and the UTPR, applicable for fiscal years starting on or after 1 January 2025.

It also incorporates the Transitional CbCR Safe Harbor and establishes specific filing and reporting obligations, with penalties for noncompliance.

The new legislation is enacted as a separate law and effectively creates a new global minimum tax that is different from Corporate Income Tax or any other existing tax.

See EY Global Tax Alert, [Portugal adopts Pillar Two rules](#), dated 18 October 2024.

South Africa introduces Pillar Two legislation to Parliament

On 30 October 2024, the Finance Minister of South Africa introduced the [Global Minimum Tax Bill](#) for the implementation of Pillar Two before the National Assembly. Following a public consultation held earlier this year, this Bill introduces a DMTT and IIR in line with the OECD GloBE Model Rules and Administrative Guidance. The Bill specifically excludes the application of the QDMTT safe harbor.

At the same time, the Global Minimum Tax Administration Bill was also introduced, which outlines compliance and allied matters related to the GloBE Information Return.

The Bills will now be presented for Presidential assent. If approved, they will be effective for financial years starting on or after 1 January 2024.

United Kingdom releases Autumn Budget including amendments to Pillar Two legislation

On 30 October 2024, the United Kingdom (UK) presented the [Autum Budget 2024](#) to the House. Among other items, the Autumn Budget includes various amendments to the UK's Pillar Two legislation following stakeholder consultation to ensure that UK legislation remains consistent with Commentary and Administrative Guidance to the GloBE rules.

These include rules for joint ventures, changes to implement the Administrative Guidance published in June 2024 and minor amendments to the draft arbitration rules, to be introduced in the transitional CbCR safe harbor, previously published in July 2024. The Government has reconfirmed that the UTPR contained within the Pillar Two rules will be introduced in Finance Bill 2024-25.

BEPS and other developments

OECD

OECD holds Tax Certainty Day addressing MAP developments and updates on tax certainty efforts

On 15 November 2024, the OECD held its sixth annual [OECD Tax Certainty Day](#).

During the event, the OECD released the [2023 statistics](#) on Mutual Agreement Procedure (MAP) and Advance Pricing Agreements (APAs), followed by a presentation of the [2023 MAP and APA awards](#). The discussion also included new statistics on APAs, the ongoing work on tax certainty under Pillar Two of the BEPS 2.0 project and the global tax certainty landscape.

Dispute resolution

The 2023 MAP statistics revealed a 16% decrease in new Transfer Pricing (TP) cases and a 2.8% increase in new "Other" cases compared to 2022. Overall MAP inventories decreased by 3.8%, with an even split between TP and Other cases.

In 2023, 62% of MAP cases closed with an agreement that fully eliminated double taxation or resolved taxation not in accordance with the treaty. Another 2% were partially resolved, addressing double taxation or taxation not in line with the tax treaty. Unilateral relief was granted in 9% of cases, while 4% were resolved through domestic remedy. For 2% there was agreement that taxation did not align with the treaty. Additionally, 9% of cases were withdrawn by taxpayers, 4% were deemed to have unjustified objections, 4% were denied access to MAP, and 4% ended with no agreement.

However, the time to close cases increased from 28.9 months in 2022 to 32 months for TP cases and from 22.2 months to 23.4 months for “Other” cases. The latest MAP statistics also included a new data point on the age of cases in MAP inventory. Almost 75% of total MAP cases are concentrated in 10 countries, with approximately 47% in five countries (Germany, Belgium, France, Italy and the Netherlands). From a broader perspective, more countries are engaging in MAP.

Together with the MAP statistics, the OECD also published its first edition of APA statistics from 46 jurisdictions with bilateral APA programs. During 2023, more than 1,100 APAs were requested, more than 800 APAs were granted, only 15 were rejected when initiated and 100 closed for other reasons. In addition, the OECD released the second edition of the [Consolidated Information on MAP](#), providing an overview of MAP information in member jurisdictions of the OECD/G20 Inclusive Framework. These will be updated and released annually.

Tax certainty

With Pillar Two in motion and 45 countries having legislation for 2024/25, preparation for disputes is crucial. Pillar Two relies on common rules and a uniform dataset available to all relevant tax authorities. Challenges include different implementation paces, risk of fragmentation, varying rule interpretations, and the need for upskilling personnel. A multilateral convention is being developed to address these issues, as the risk of fragmentation necessitates dispute resolution mechanisms specifically for GloBE.

Panelists suggested expanding the International Compliance Assurance Programme to address interpretation issues and other disputes, and proposed the OECD set clear timeframes for jurisdictions to adopt administrative guidance and provide further guidance on specific areas of Pillar Two.

OECD updates list of signatories of the CbC MCAA

On 7 November 2024, the OECD updated the [list](#) of signatories of the Multilateral Competent Authority Agreement on the exchange of CbC reports (CbC MCAA). According to this update, Armenia signed the CbC MCAA on 5 September 2024, Montenegro on 14 May 2024, and Trinidad and Tobago on 7 November 2024. The total number of jurisdictions that have signed the CbC MCAA is now 106.

MLI developments

On 29 October 2024, the OECD released an [information note](#) providing an update on the application of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (BEPS MLI). According to the information note, the Kingdom of the Netherlands (in respect of Curaçao) and Malta, confirmed that the double tax treaty applicable between Curaçao and Malta has entered into force. The double tax treaty, which was signed on 18 November 2015, officially entered into force on 1 September 2024.

Also on 29 October, Indonesia notified the OECD Depository of the MLI regarding the completion of their internal procedures for the entry into effect of the MLI provisions with respect to an additional Covered Tax Agreements (CTA) with Armenia. This notification is required when a Contracting Jurisdiction has made the reservation in Article 35(7)(a) of the MLI. In addition, Indonesia confirmed that it has completed its internal procedures for the entry into effect of the provisions of the Convention with respect to the CTAs with Jordan, Papua Nea Guinea, Tunisia and Ukraine, resulting from an extension of the list of agreements under Article 29(5).

G20 meeting reiterates support for BEPS 2.0 and international tax cooperation

On 23-24 October 2024, G20 Finance Ministers and Central Bank Governors met in Washington, DC. The meeting concluded with a [communiqué](#) that reiterates the G20 Finance Ministers' commitment to the October 2021 statement of the OECD/G20 Inclusive Framework on the BEPS 2.0 project and to swift implementation by all interested jurisdictions. In the October 2021 statement, countries committed to adhering to the GloBE design as agreed by the Inclusive Framework if and when they implement the global minimum tax rules.

The G20 Finance Ministers also emphasized their commitment to “working toward a fairer, more inclusive, stable and efficient international tax system fit for the 21st century.” The communiqué restates the commitment to tax transparency and fostering global dialogue on effective taxation, including the taxation of ultra-high-net-worth individuals and highlights the importance of progressive taxation in reducing domestic inequalities and achieving the Sustainable Development Goals (SDGs).

In advance of the meeting, the OECD released the [OECD Secretary-General's Tax Report to the G20](#) Finance Ministers and Central Bank Governors. This report provides an update on activities with respect to the G20's international tax agenda, including ongoing work on the BEPS 2.0 project, tax transparency and capacity-building efforts.

See EY Global Tax Alert, [G20 meeting highlights continued support for BEPS 2.0 and international tax cooperation](#), dated 31 October 2024.

Algeria joins Convention on Mutual Administrative Assistance in Tax Matters

On 10 October 2024, the OECD [announced](#) that Algeria joined the Convention on Mutual Administrative Assistance in Tax Matters as amended by the 2010 Protocol, bringing to [148](#) the total Members of the Convention. As a new Member, Algeria is committed to fighting international offshore tax avoidance and evasion by rapidly expanding its network of information-exchange partners.

The Convention will allow Algeria to swiftly implement the transparency measures of the OECD/G20 BEPS project, in particular the automatic exchange of CbC reports under Action 13.

European Union

EU publishes Directive proposal transposing the GloBE Information Return into EU law

On 28 October 2024, the European Commission (the Commission) published a legislative [proposal](#) (and Annex) for the ninth revision of the Directive on Administrative Cooperation (Council Directive 2011/16/EU or DAC).

This amendment primarily aims to transpose the GloBE Information Return (GIR) into EU law, enabling central filing via a Top-up tax information return as provisioned under Article 44(3) of the EU Minimum Tax Directive.

To achieve this, the proposal: (i) sets up a system for tax authorities of Member States to exchange information with each other, and (ii) introduces a standard form, in line with the form developed by the Inclusive Framework of the OECD and the G20, which covered taxpayers must use to report certain tax-related information.

The form also aims to ensure that taxpayers provide the same information in the same format, making it easier for them to fulfill their filing obligations and for tax authorities to assess and exchange it.

The proposal will now move to the Council of the EU for negotiations. Adoption of the Directive will require unanimous agreement among all 27 Member States. Once adopted, Member States should transpose the rules under DAC9 by 31 December 2025, with the first reporting deadline set for 30 June 2026.

See EY Global Tax Alert, [EU publishes Directive proposal transposing the GloBE Information Return into EU law](#), dated 30 October 2024.

Country developments

Argentina publishes transfer pricing regulations for transactions involving Sole Purpose Vehicles in framework of Incentive Regime for Large Investments

On 23 October 2024, the Argentine Tax Authorities (AFIP) published in the *Official Gazette* General Resolution 5590/2024 (GR 5590). Title IV of GR 5590 incorporates transfer pricing provisions for the operations of Sole Purpose Vehicles (SPVs) to help ensure the transactions are carried out as if they were executed between independent parties.

The regulations apply to transfer pricing issues involving: (i) SPV transactions with local related parties; (ii) SPV transactions with international related parties, or third parties located in low-tax, no-tax or noncooperative jurisdictions; and (iii) SPV participation in Contribution Agreements and Cost Sharing Agreements.

Transactions with local related parties generate the obligation for SPVs to file, within six months of the fiscal year-end and via the AFIP's web service "Presentaciones Digitales" (in Spanish), an Annual Report listing all transactions with local parties.

The content of the Annual Report is similar to the provisions of Annex I of GR 4717, which regulates the preparation of the Transfer Pricing Report for international transactions.

See EY Global Tax Alert, [Argentina publishes transfer pricing regulations for transactions involving Sole Purpose Vehicles in framework of Incentive Regime for Large Investments](#), dated 6 November 2024.

ATO releases guidelines on thin-capitalization rules' interaction with transfer pricing and debt deduction creation rules

On 3 November 2024, the Australian Taxation Office (ATO) released [guidelines](#) on how the thin-capitalization rules interact with other provisions, such as transfer pricing and debt deduction creation rules (DDCR).

The guidance indicates that the transfer pricing rules take precedence over thin-capitalization rules. Once transfer pricing rules have been applied, Australia's thin-capitalization rules may further limit any remaining debt deductions.

The guidelines also clarify that the DDCR, introduced in Subdivision 820-EAA of ITAA 1997, take precedence over the other thin-capitalization rules. Where the DDCR disallows debt deductions, the deductions are disregarded when applying the remaining thin-capitalization rules, which may further restrict debt deductions. Effective for income years commencing on or after 1 July 2024, the DDCR applies to related-party debt deductions for general investors and inward/outward investing entities. However, it does not apply to businesses with debt deductions under AU\$2m, authorized deposit-taking institutions, securitization vehicles, certain special purpose entities or Australian plantation forestry entities.

The DDCR broadly applies to two types of arrangements:

1. Acquisitions - disallows deductions when acquiring a CGT asset, or a legal or equitable obligation from an associate pair, subject to certain exceptions
2. Payments/Distributions - disallows deductions for financing prescribed payments (e.g., dividends, royalties, etc.) to associates

The 90% Australian-assets threshold and exemptions for private assets do not apply for the purposes of the DDCR.

Brazil issues Decree establishing criteria for exempting jurisdictions from list of low-tax jurisdictions and privileged tax regimes

On 18 October 2024, [Decree No. 12,226](#) was published in Brazil's *Official Gazette*, establishing new qualification criteria for countries or dependencies with favorable tax regimes under Article 24-C of Law No. 9,430. The Decree exempts certain countries from being classified as low-tax

jurisdictions or privileged tax regimes if they make significant investments that promote Brazil's national development. Eligible investments include direct investments by foreign governments, sovereign funds or public enterprises in Brazilian government bonds or companies, with a focus on sustainable practices. These investments must be maintained for at least five years.

To qualify for this exemption, jurisdictions must submit a request to the Brazilian Minister of Finance, demonstrating their commitment to the investment requirements. The Ministry then evaluates each request. If approved, the Brazilian Federal Revenue Service will update the official list of low-tax jurisdictions and privileged tax regimes to reflect the exemption.

The new rules took effect immediately upon publication.

German Ministry of Finance launches public consultation on DAC8 implementation

On 1 November 2024, the German Minister of Finance [launched](#) a Public Consultation on the [draft legislation](#) implementing DAC8 into domestic law. DAC8 will be implemented through the *Crypto Assets Tax Transparency Act*, which includes rules on due diligence and reporting obligations for crypto-asset service providers and the automatic exchange of information. Additional DAC8 provisions will amend other German laws related to administrative cooperation.

The provisions of DAC8 are largely based on the OECD's Crypto-Asset Reporting Framework and the amended Common Reporting Standard, thus the draft legislation includes provisions for data exchange with third-country tax authorities, which will occur following the ratification and entry into force of the relevant Multilateral Competent Authority Agreement.

The draft legislation is expected to be effective from 1 January 2026. The deadline for stakeholder input was 14 November 2024.

Hungarian Parliament approves new US-Hungary agreement on exchange of CbC Reports

On 4 November 2024, the Hungarian Parliament [approved](#) the US-Hungary agreement on the exchange of CbC Reports (the Agreement).

This Agreement, signed by Hungary on 15 July 2024 and by the United States on 1 August 2024, replaces the previous agreement that ceased on 8 January 2023, following the termination of the 1979 tax treaty between the two countries. Temporary measures for the spontaneous exchange of CbC Reports for fiscal years 2021 and 2022 were established through joint statements in December 2022 and December 2023 under the multilateral Convention on Mutual Administrative Assistance in Tax Matters.

The new agreement was signed by the President on 12 November and published in the *Official Journal* on 13 November 2024.

Ireland updates guidance on DAC8

On 18 October 2024, the Irish Revenue updated its guidance in the Tax and Duty Manual [part 35-00-01](#), with respect to Council Directive (EU) 2023/2226 (DAC8).

The amendments include the inclusion of individuals in the scope for information exchange in Section 1.1. Under DAC8, advance cross-border rulings exclusively involving individuals will be subject to automatic exchange of information if issued, amended, or renewed after 1 January 2026 and the amount of the transaction(s) exceed €1.5m (or equivalent amount in any currency) if the amount is referred to in the ruling or the ruling relates to whether the individual is tax resident in the issuing Member State. However, rulings on nonresidents' income from employment, directors' fees and pensions are excluded. DAC8 entered into force in November 2023 and is intended to be effective in Ireland by 1 January 2026.

Sections 3.1 and 4.1 have been clarified to address the spontaneous exchange of information for rulings. Section 3.8 has been added to outline the allowable use of information under both the DAC and OECD frameworks.

Additionally, Annex 3 has been updated to list the jurisdictions with which Ireland has a legal basis for spontaneous information exchange. Azerbaijan, Bahamas, Belarus, Fiji, Kuwait, Moldova, Philippines and Uzbekistan have been added to Annex 3.

Kazakhstan releases update prioritizing electronic submission of transfer pricing local file

On 19 September 2024, the Minister of Finance of Kazakhstan released amendments to the Order dated December 24, 2018, No. 1104, concerning the approval of forms and rules for transfer pricing local file, master file and CbCR. The aim of amendments is to bring the Order in line with the recent changes made to the Law of the Republic of Kazakhstan on Transfer Pricing (i.e., which entities are subject to the local file submission, deadline for submission of the master file) and prioritize the electronic submission of the local file.

The local file must now be submitted electronically and certified by a digital signature through the state revenue authority's special software system. If this software is unavailable or technical errors occur, taxpayers must submit the reporting documentation electronically through the platform for receiving and processing general requests or the single electronic document management system. If electronic submission is impossible, taxpayers must provide the state revenue authority with documents justifying this and follow a specific procedure for paper submission.

These provisions are stipulated by Order No. 633 of 19 September 2024 and were entered into force on 11 October 2024.

Latvia updates list of noncooperative states and territories

On 23 October 2024, Latvia published in the [Official Gazette](#) an updated list of noncooperative states and territories in response to the latest update (October 2024) of the EU list of noncooperative jurisdictions for tax purposes.

In this update, Latvia removed from the list Antigua and Barbuda. Hence, the updated list includes the following jurisdictions: American Samoa, Anguilla, Fiji, Guam, Palau, Panama, Russian Federation, Samoa, Trinidad and Tobago, the US Virgin Islands and Vanuatu.

The updated list applies as of 1 November 2024.

Lithuania proposes amendments to DAC6 and DAC8 implementation and Advance Pricing Agreements

On 9 October 2024, the Ministry of Finance of Lithuania proposed [draft amendments](#) to the Law on Tax Administration (the Draft Bill). These changes aim to implement DAC8 into domestic law and introduce updated rules on APAs.

The Draft Bill requires crypto-asset service providers to collect and submit information annually to the State Tax Inspectorate (STI) with regard to reportable users. Exemptions apply to certain persons, such as public administration bodies and publicly traded companies, and crypto-asset operators complying with similar reporting requirements in another EU Member State. Crypto-asset service providers must also document compliance actions and retain this information for five years. Noncompliance with reporting requirements will generate fines ranging from €1,800 to €6,000, and affected taxpayers may lose their status as reliable taxpayers.

In addition, the Draft Bill indicates that when there is no intermediary, the obligation to submit information on a reportable cross-border arrangement under DAC6 to the STI falls on the relevant taxpayer.

Finally, the Draft Bill introduces amendments to align with BEPS Action 14 recommendations to enhance dispute resolution and reduce cross-border tax disputes, allowing tax authorities to retroactively approve APAs for future transactions if previous tax years' facts and circumstances are consistent and verifiable.

These changes are expected to take effect on 1 January 2026.

Dutch Ministry of Finance launches public consultation on DAC8 implementation

On 24 October 2024, the Dutch Ministry of Finance [launched](#) a public consultation on the draft bill to implementing DAC8 into domestic law. The bill proposes to set up a reporting framework that would require crypto-asset service providers to report transactions made by EU clients resulting in more transparency for crypto-asset transactions, thereby helping tax authorities to track the trade of crypto-assets and the proceeds gained.

EU Member States must transpose the main DAC8 rules into their domestic law by 31 December 2025, with application starting as of 1 January 2026. Provisions related to the tax information number reporting system have extended these deadlines, requiring implementation by the end of 2027 or 2029, and application from 2028 or 2030. The draft bill covers only the parts of DAC8 that need to be implemented by 31 December 2025.

Feedback may be submitted through written comments and attached documents from 24 October 2024 to 21 November 2024.

Singapore updates list of jurisdictions for exchange of CbC reports

On 11 October 2024, the Inland Revenue Authority of Singapore published its updated [list](#) of jurisdictions with which it will exchange CbC reports under the Multilateral Competent Authority Agreement on the exchange of CbC reports. Updating the preceding update, Singapore added Albania and Georgia, with which the exchange relationship is effective from fiscal years beginning on 1 January 2024.

Following this update, Singapore has an exchange relationship with a total of 95 jurisdictions.

Turkiye extends deadline for submission of CbCR notification

On 17 October 2024, the Ministry of Treasury and Finance published General Communiqué No. 5 on Transfer Pricing in the [Official Gazette](#), amending General Communiqué No. 1. This update aims to align the deadlines for CbCR with Presidential Decision No. 8956.

The main amendment relates to the reporting deadline for MNE Groups, which now must electronically submit their CbCR notifications via the Digital Tax Office no later than the end of the sixth month after the end of the reporting fiscal year. This replaces the previous fixed annual deadline of June which was also applied for taxpayers having non-calendar fiscal years. June will still apply to calendar fiscal year (FY) users since the new rule requires a taxpayer to report no later than the end of the sixth month after the end of the reporting FY.

The amendments took effect retroactively on 1 September 2024.

UK HMRC updates due diligence and reporting obligations for platform operators

On 31 October 2024, His Majesty's Revenue and Customs (HMRC) issued [Statutory Instrument 2024/1082](#) to revise Statutory Instrument 2023/817, regarding due diligence and reporting obligations for platform operators, to align the regulations with the OECD Model Rules for Reporting by Platform Operators in the Sharing and Gig Economy and the Optional Module for Sale of Goods.

According to the revisions, the exemption from reporting does not apply if the reporting platform operator must consider the reportable seller as a resident in the United Kingdom based on the seller's primary address. Previously,

platform operators were exempt from reporting if they believed another platform operator would report the information to the tax authority of a partner jurisdiction under similar rules. The amendments also eliminate the definition of "excluded seller" and the provision allowing a proportional reduction of reporting thresholds for sellers registered with the platform for only part of a reportable period.

Statutory Instrument 2024/1082 was laid before the House of Commons on 4 November 2024 and is expected to come into force on 25 November 2024.

In addition, on 24 October 2024, HMRC published the [XML schema and supporting documents](#) to be used for reporting information to HMRC on sellers using a digital platform.

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