

Report on recent US international tax developments - 21 November 2018

NEW! EY Tax News Update: Global Edition

EY's new Tax News Update: Global Edition is a free, personalized email subscription service that allows you to receive EY Global Tax Alerts, newsletters, events, and thought leadership published across all areas of tax. Access more information about the tool and registration [here](#).

Also available is our [EY Global Tax Alert Library](#) on ey.com.

The United States and Singapore signed a tax information exchange agreement (TIEA) and a new *Foreign Account Tax Compliance Act* (FATCA) Model I Intergovernmental Agreement (IGA) on 13 November 2018. The TIEA covers all US federal taxes as well as Income Tax, Property Tax, Goods and Services Tax and Stamp Duty in Singapore. The new reciprocal FATCA IGA will supersede the current 2014 non-reciprocal IGA when it enters into force.

There were a number of Organisation for Economic Co-operation and Development (OECD) Base Erosion and Profit Shifting (BEPS) developments in recent days. On 15 November the OECD [released an update](#) to the [2017 Progress report on Preferential Tax Regimes](#) conducted in connection with Action 5 of the BEPS Project. The updated results cover 53 regimes, bringing the number of regimes reviewed, or under review, to 246. The assessments were undertaken by the Forum on Harmful Tax Practices.

On the same date, the Inclusive Framework on BEPS released a Substantial Activities Requirement for "no or only nominal tax" jurisdictions (the [Standard](#)). The document sets out the background and rationale for the resumption of the substantial activities requirement, a requirement first set out in an OECD 1998 report. It also sets out the technical guidance governing the application of that requirement.

Finally, the OECD in mid-November announced that it is now gathering input on the implementation of the BEPS Action 14 minimum standard in relation to the review of the seventh batch of jurisdictions (Brazil, Bulgaria, China, Hong Kong, Indonesia, Papua New Guinea, Russian Federation and Saudi Arabia). The OECD is inviting taxpayers to submit their input related to their experiences in these jurisdictions

via electronic questionnaire by 13 December 2018. This exercise is part of the process of the mutual agreement procedure (MAP) peer review and monitoring process that the OECD launched in December 2016 under Action 14 of the BEPS project in relation to more effective dispute resolution mechanisms.

For additional information with respect to this Alert, please contact the following:

Ernst & Young LLP, International Tax Services, Washington, DC

- ▶ Arlene Fitzpatrick arlene.fitzpatrick@ey.com
- ▶ Joshua Ruland joshua.ruland@ey.com

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

© 2018 EYGM Limited.
All Rights Reserved.

EYG no. 012067-18Gbl

1508-1600216 NY
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

ey.com