14 January 2019

# Global Tax Alert

# The Latest on BEPS – 14 January 2019

## OECD

On 11 January 2019, the OECD announced that Belize signed the *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* (the MLI). At the time of signature, Belize submitted a list of its tax treaties in force that it would like to designate as Covered Tax Agreements (CTAs), i.e., treaties to be amended through the MLI. Together with the list of CTAs, Belize also submitted a preliminary list of its reservations and notifications in relation to the CTAs (MLI positions) in respect of the various provisions of the MLI. The definitive MLI positions for Belize will be provided upon the deposit of its instrument of ratification, acceptance or approval of the MLI. As part of the options contained in the MLI, jurisdictions may opt into mandatory binding arbitration, an element of BEPS Action 14 on dispute resolution. Belize did not opt in for mandatory binding arbitration.

Also, on the same date, the OECD announced that Monaco deposited on 10 January 2019 its instrument of ratification, acceptance or approval of the MLI – bringing the total number to 18. At the time of depositing the instrument of ratification, jurisdictions must confirm their MLI positions. Accordingly, Monaco confirmed its MLI positions without any change. The MLI will enter into force for Monaco on the first day of the month following the expiration of a period of three calendar months beginning on the date of the deposit by Monaco of its instrument of ratification, acceptance or approval, i.e., on 1 May 2019.

On 3 January 2019, the Cook Islands became the 125th member to join the BEPS Inclusive Framework. As a new BEPS member, the Cook Islands committed to comply with the BEPS minimum standards, which are contained in Action 5 (countering harmful tax practices), Action 6 (preventing treaty abuse), Action 13 (transfer pricing documentation) and Action 14 (enhancing dispute



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resolution). The Cook Islands will also participate on an equal footing with the members of the Inclusive Framework on the remaining standard setting, as well as the review and monitoring of the implementation of the BEPS package.

## European Union

On 3 December 2018, the Council of the European Union (EU) published an updated overview of the preferential tax regimes examined by the Code of Conduct Group (COCG) (Business Taxation) since its creation in March 1998. The overview is divided in three parts: (i) preferential regimes of EU Member States (including Gibraltar with regard to the United Kingdom (UK)); (ii) dependent or associated territories of EU Member States to which EU treaties do not apply (as of the date of notification of the regime); and (iii) other jurisdictions (now covered by the EU listing exercise). The overview concludes that the COCG has examined 663 preferential regimes (including 280 in 1998-1999), 263 of which were deemed harmful and have been (or are being) rolled back.

## Australia

On 19 December 2018, the Australian Taxation Office (ATO) released draft LCR 2018/D9 and draft PCG 2018/D9 on the concept of "structured arrangement." The draft LCR provides the ATO's preliminary view on the meaning of the phrases "structured arrangement" and "party to the structured arrangement" in the context of Australia's hybrid mismatch rules. The draft PCG contains four examples to assist taxpayers assessing the risk of the newly legislated hybrid mismatch rules applying to their circumstances.

When finalized the guidance will take effect from 1 January 2019 to support the OECD hybrid mismatch rules applying from 1 January 2019 for structured arrangements and 1 January 2020 for non-structured arrangements. Submissions are due by 15 February 2019.

## Belgium

On 20 December 2018, a draft law on fiscal, anti-abuse, financial and various other provisions was submitted to the Belgian Federal Parliament. The draft law includes the accelerated implementation into domestic legislation of the interest limitation rule under the EU Anti-Tax Avoidance Directive (ATAD) (1 January 2019 instead of 1 January 2020). The draft law also contains a provision with respect to planned transactions with a tax haven which is included in the OECD list of non-cooperative countries or with a country which is included in the domestic list of states with low or no taxation. According to this provision, which will apply 10 days after its publication in the *Belgian Official Gazette*, the Belgian Service for Advance Decisions will no longer grant rulings for transactions with companies established in one of the listed countries, except regarding countries exchanging information with Belgium. The timing of enactment is uncertain due to the resignation of the Belgian Government.

## Colombia

On 28 December 2018, Colombia enacted tax reform (Law 1943 – Tax Reform). The tax reform makes numerous changes to the Colombian tax rules that generally apply from 1 January 2019. Among others, the Colombian controlled foreign corporation (CFC) regime has been amended so that it will not apply when the CFC's income is 80% or more active income. In addition, the tax reform includes a provision related to the access and use of the mutual agreement procedure (MAP) provided in tax treaties. Agreements reached in accordance with the MAP will have the same applicability as a final judicial decision. Also, the thin capitalization rule is changed to a general 2 to 1 debt-to-equity ratio, but only considering debt with related parties in Colombia or abroad (the prior ratio was of 3 to 1 but included debt with third parties too). The tax reform also establishes that foreign service providers of digital content to voluntarily opt into a Value Added Tax withholding tax collection system through debit and credit card issuers. For permanent establishments (PEs) taxation is imposed on attributed worldwide income (previously only taxable on Colombian source income) and some restriction is established for interest expenses attributed to the PEs.

See EY Global Tax Alert, *Colombia enacts tax reform for 2019*, dated 3 January 2019.

## Czech Republic

On 20 December 2018, the upper chamber of the Czech Parliament (Senate) gave consent for ratification of the MLI. The Czech Republic (CR) intends to implement only the so-called minimum standard: the preamble on the treaty objective, the rule against abuse (Principle Purpose Test – PPT) and a modification of MAP. For the moment, it has been proposed that the 52 treaties signed by the CR be covered. The ratification process has not been completed yet.

## Finland

On 28 December 2018, the law aligning the CFC rules to the ATAD were approved. The new rules which amend the domestic CFC rules entered into force on 1 January 2019 and are applicable since that date. For more details, see The Latest on BEPS, dated 19 November 2018.

On 19 December 2018, the Finnish Parliament adopted the proposal implementing the interest limitation rule under the EU ATAD into domestic legislation. The new rules entered into force on 1 January 2019 and are applied for financial years ending on or after that date. The new rules extend the limitation rule to interest paid on loans from unrelated parties. It also amends the safe harbor rule under which a certain amount of interest expense is deductible. According to the new rules, the threshold of €500,000 net interest expenses being deductible remains applicable for loans between both non-related and related parties, whereas a threshold of €3 million has been introduced for loans from unrelated parties. The new rules also include an exception to the application of the limitation rule for loans from unrelated parties taken before 17 June 2016. The limitation rule of 25% of taxable earnings before interest, taxes, depreciation and amortization (EBITDA) as well as the balance sheet based exemption remain applicable also under the new rules.

## Georgia

On 27 December 2018, Georgia ratified the MLI. Georgia now needs to deposit its instrument of ratification, approval or acceptance of the MLI with the OECD and confirm its MLI positions. The MLI will enter into force on the first day of the month following the expiration of a period of three calendar months beginning on the date of the deposit of the instrument of ratification by Georgia.

## Gibraltar

On 20 December 2018, Gibraltar published the regulations that contain measures for the implementation of the EU ATAD. Among others, the adopted law introduces the following measures: i) a 30% EBITDA interest limitation rule with a €3 million threshold. Companies will be able to carry forward interest disallowed under the rule indefinitely, and carry forward unused interest capacity over a five-year period; (ii) Rules on CFCs applicable to foreign entities and PEs. A CFC must meet the following two conditions: (a) the taxpayer and its associated enterprises directly or indirectly hold more than 50% of the company's voting rights, capital or entitlement to profits; and (b) the tax paid by the foreign entity or PE is lower than the difference between the tax that would have been charged on the entity or PE in Gibraltar and the actual tax paid by the entity or PE on its profits; and (iii) hybrid mismatch rules. The measures will apply in relation to accounting periods commencing on or after 1 January 2019.

## Hong Kong

On 30 November 2018, Hong Kong and South Africa signed a Memorandum of Understanding (MoU) on the Exchange of Country-by-Country (CbC) Reports. According to the MoU, the Competent Authority of Hong Kong will exchange with the Competent Authority of South Africa the CbC reports that have been filed with Hong Kong for the fiscal years 2017 and 2018, provided that, on the basis of the information provided in the CbC Report, one or more Constituent Entities of the multinational enterprise (MNE) group of the Reporting Entity are resident for tax purposes in South Africa or are subject to tax with respect to the business carried out through a PE situated in South Africa. Such CbC report is to be exchanged no later than 15 months after the last day of the fiscal year of the MNE group to which the CbC report relates.

## India

On 26 December 2018, the Indian Tax Administration (ITA) issued a circular extending the due date for secondary filing of local CbC reports to 31 March 2019 for all reporting accounting periods ending before 28 February 2018. Previously, on 18 December 2018, the ITA prescribed that the due date for undertaking local filing by Indian constituent entities (CEs) of an MNE group whose ultimate parent entity (UPE) or surrogate parent entity is not resident in India is 12 months after the last day of the reporting accounting year of the MNE group. However, in the case of systemic failure, the CbC report should be filed in India within six months from the end of the month in which such systemic failure has been communicated to the CE by the Indian tax administration. The Indian resident CEs (specifically of United States (US) MNE groups) who may be obligated to undertake secondary filings would need to review the implications and monitor developments to determine their filing obligations by the due dates.

See EY Global Tax Alert, *Indian Tax Administration announces due date for secondary filing under Country-by-Country Reporting regulations*, dated 9 January 2019.

## Ireland

On 19 December 2018, the Finance Bill 2018 was signed into law by the President of Ireland and is now the *Finance Act 2018*. The law contains several tax measures, including an amendment to the four-year statute of limitations in the case of bilateral MAPs. According to this amendment, a Revenue officer may now, at any time, make or amend an assessment for a chargeable period to give effect to a mutual agreement reached between Ireland and a competent authority with which Ireland has a Double Tax Convention. This effective extension of the statute of limitations in MAP situations is generally viewed as a positive development.

## Isle of Man

On 11 December 2018, the Isle of Man Government approved the Income Tax (Substance Requirements) Order 2018 that introduces substance requirements for resident companies undertaking relevant activities in the Isle of Man. These measures are effective for the accounting periods commencing on or after 1 January 2019. For more details, see The Latest on BEPS, dated 10 September 2018.

## Italy

On 29 December 2018, the Italian Parliament approved the 2019 Budget Law. Among others, the Law introduces a new tax applicable to the provision of digital services (the so-called Italian Digital Services Tax or DST) by repealing the old measure introduced by the 2018 Budget Law but never entered into force. According to the new rules, the DST shall now be due by enterprises (both resident or nonresident in Italy) carrying on business activities that, individually or at the group level meet during the fiscal year the following thresholds: (i) total amount of revenues (wherever arising) not lower than €750,000,000 and (ii) an amount of revenue derived from digital services (arising in Italy only) not lower than €5,500,000. An implementing Decree should be issued within four months following the entry into force of the Italian Budget law for 2019 (i.e., by 30 April 2019). The DST is not applicable yet but it should enter into force starting from the 60th day following that of the publication of the implementing Decree (i.e., accordingly, it should be applicable starting from 30 June 2019).

See EY Global, *Italy approves 2019 budget law*, dated 7 January 2019.

On 28 December 2018, the Italian Government published, in the Official Gazette, the Legislative Decree (Decree) transposing the EU ATAD in the Italian legislation. The Decree contains new rules with reference to the interest limitations rules, the exit taxation, CFC rules, and new rules on hybrid mismatches. No changes were made with respect to the General Anti-Avoidance Rule (GAAR), as Italy's current legislation was considered in line with the ATAD. The Government had previously approved the final version of the Decree on 28 November with limited changes to the draft of 8 August 2018. The limited differences between the draft version and the final version of the Decree mainly relate to the interest expense deduction rules for real estate companies and other specific cases, migration into Italy of individual businesses, and a few amendments to the CFC provisions. The new set of provisions entered into force for calendar year companies as of 1 January 2019, with the exception of the hybrid mismatch rules that should apply from 1 January 2020, and with specific reference to reverse hybrids from 1 January 2022.

See EY Global Tax Alert, *Italy officially releases ATAD decree*, dated 2 January 2019.

## Korea

On 24 December 2018, Korea enacted the 2019 tax reform bill (the 2019 Tax Reform) after it was passed by Korea's National Assembly on 8 December 2018.

The 2019 Tax Reform includes provisions in line with the OECD BEPS Action Plan 7, among others. As a commitment to implement the PE rules recommended by BEPS Action 7, the 2019 Tax Reform reflects contents of the updates to Article 5 (PE) of the OECD Model Tax Convention approved by the OECD Council on 21 November 2017, which includes: (i) more requirements to a non-PE definition; (ii) preventing misuse of specific exceptions to the PE rules; and (iii) expanded scope of agency PE.

In the transfer pricing context, the 2019 Tax Reform prescribes that in applying transfer pricing methods, the tax authority has to clearly confirm whether the transaction between a resident and its foreign related party actually occurred by considering the commercial and financial relationship between the parties and significantly influential conditions of the transaction. The tax authority also has to decide the reasonableness of the tested transaction by comparing it with the one to be made between independent companies under similar circumstances. If the tested transaction considerably lacks commercial reason and cannot be used as a basis for the calculation of arm's-length price, the transaction can be denied as a whole or properly recharacterized for the purpose of application of the transfer pricing methods.

Unless otherwise specified, the 2019 Tax Reform will generally be effective for fiscal years beginning on or after 1 January 2019.

See EY Global Tax Alert, *Korea enacts 2019 tax reform bill*, dated 2 January 2019.

## Luxembourg

On 21 December 2018, the Luxembourg law implementing the EU ATAD was published in the *Official Gazette*. The Law introduces a limitation on interest deductions, CFC rules, anti-hybrid mismatches rules within the EU, a GAAR and a revision of the existing exit taxation regime. The Law also amends two existing domestic provisions regarding the tax-neutral conversion of debt into equity and the definition of PEs which may impact the PE exemption provided for under tax treaties. The provisions of the Law apply to tax years starting on or after 1 January 2019, except for the provisions regarding exit taxation that will apply to financial years starting on or after 1 January 2020.

See EY Global Tax Alert, *Luxembourg's Parliament adopts draft law implementing EU Anti-Tax Avoidance Directive*, dated 18 December 2018 and *Luxembourg: A detailed review of the EU ATAD implementation law*, dated 28 December 2018.

## Netherlands

On 28 December 2018, a list of low-tax jurisdictions was published in the *Dutch Official Gazette*. This list, as well as the EU blacklist, will be used for the application of part of the Dutch anti-tax avoidance measures, i.e., (i) the CFC measures; (ii) the announced 20.5% conditional withholding tax on interest and royalty payments (expected per 1 January 2021 – however, no draft legislation has been published yet); and (iii) tax rulings will no longer be granted for transactions by companies established in one of the listed countries. The list of 16 countries with no profit tax or with a statutory rate of less than 9% includes Anguilla, the Bahamas, Bahrain, Belize, Bermuda, British Virgin Islands, Cayman Islands, Guernsey, Isle of Man, Jersey, Kuwait, Qatar, Saudi Arabia, Turks and Caicos Islands, Vanuatu and the United Arab Emirates.

On 17 December 2018, the State Secretary of Finance sent a draft law to the Dutch Parliament to implement the EU Tax Dispute Resolution Mechanism Directive. The Directive lays down rules for a mechanism to resolve disputes between Member States that arise from the interpretation and application of tax treaties. It also lays down the rights and obligations of the qualifying persons when such disputes arise. The draft law is expected to apply as of 1 July 2019, which is also the deadline for the implementation of the Directive into domestic legislation.

## Peru

On 30 December 2018, Peru's Minister of Economics issued Supreme Decree 337-2018-EF and Supreme Decree 339-2018-EF, which contain regulations on the deduction of expenses related to intragroup services and the definition of accrual. Among others, Supreme Decree 337-2018-EF establishes the requirements for the benefit test and the supporting documentation for the deduction of expenses related to intragroup services, as well as the procedure to calculate the margin of profit. It also establishes which services do not qualify as low-value-added services. Both Supreme Decrees became effective on 1 January 2019.

See EY Global Tax Alert, *Peru issues regulations on deduction of expenses related to intragroup services and definition of accrual*, dated 4 January 2019.

Also on 30 December, Peru's Minister of Economics issued Supreme Decree 338-2018-EF, which includes regulations on the thin capitalization rules and indirect transfers of shares. The new thin capitalization rules extend the interest deduction limit (3:1 debt/equity ratio) to unrelated parties. This regime will be applicable for fiscal years 2019 and 2020. From fiscal year 2021 in after, a new set of thin capitalization rules will come into play: interest exceeding 30% of EBITDA of the preceding year will not be deductible. The Supreme Decree 338-2018-EF includes regulations on the thin capitalization rules applicable for fiscal years 2019 and 2020 and became effective on 1 January 2019.

See EY Global Tax Alert, *Peru issues regulations on thin capitalization rules and indirect transfers of shares*, dated 4 January 2019.

Also on 30 December, Peru's Minister of Economics issued Supreme Decree 340-2018-EF, which contains regulations regarding tax havens and preferential tax regimes. It established a new blacklist of tax havens or non-cooperative jurisdictions, as well as the requirements to include or exclude a country or jurisdiction from the blacklist. It also includes the requirements for a country or jurisdiction to be considered a preferential tax regime for Peruvian tax purposes. Under the last Peruvian tax reform, it was extended the application of transfer pricing rules to transactions entered with entities subject to preferential tax regimes. According to the regulations, a jurisdiction is a preferential tax regime if at least two of the following requirements are met: (i) An information exchange agreement or double tax treaty containing a clause for the exchange of information is not in force with Peru; (ii) There is no transparency at a legal, regulatory or administrative level; (iii) The corporate income tax rate is zero or lower than 17.7%; (iv) Tax benefits are available for nonresidents, but not residents; (v) The OECD considers the jurisdiction to be a harmful jurisdiction due to the lack of a requirement that there be a substantive local presence, real activities or economic substance. The Supreme Decree became effective on 1 January 2019.

See EY Global Tax Alert, *Peru issues regulations on tax havens and preferential tax regimes*, dated 4 January 2019.

## Poland

On 20 December 2018, the Polish Ministry of Finance published the synthesized text of the Polish tax treaties with Slovenia and the UK, and on 2 January 2019, it published the synthesized text of the Polish tax treaties with Lithuania and Slovak Republic, as modified by the MLI. The synthesized text reflects the agreement reached between the relevant authorities of both Poland and these jurisdictions on how the treaties should be impacted by the MLI.

## Serbia

In January 2019, the Serbian Ministry of Finance published on its official website the synthesized texts of the Serbian double taxation treaties concluded with Austria, France, Lithuania, Poland, Slovakia, Slovenia and the UK, as modified by the MLI. The synthesized texts reflect the double taxation treaty concluded between the relevant authorities of both Serbia and the stated jurisdictions on how the treaties should be impacted by the MLI.

## Sweden

On 6 December 2018, the amending protocol which was signed on 24 May 2018 and amends the 1993 treaty between Russia and Sweden (the Treaty), was presented to the Swedish Parliament for ratification. The amending protocol contains a number of treaty-based recommendations from the BEPS project contained in Action 6 (preventing the granting of treaty benefits inappropriate circumstances) and Action 14 (making dispute resolution mechanisms more effective). The amending protocol contains the new preamble language that clarifies that the tax treaty is not intended to be used to generate double non-taxation or reduced taxation through tax evasion and avoidance. It also contains a Principal Purpose Test. Moreover, the amending protocol enables taxpayers to present a case for MAP to the competent authorities of either Contracting State. Both Russia and Sweden have signed the MLI and this Treaty is not included as a CTA on their positions. The protocol will enter into force 30 days after the ratification instruments are exchanged and will apply from 1 January of the year following its entry into force.

## Thailand

On 28 December 2018, the International Business Centers (IBC) regime was enacted through the Royal Decree and became effective as of 29 December 2018. Major developments include parity of tax incentives on income earned from both local and overseas associated enterprises, removal of tax incentives earned from international trading activities (i.e., out-out trading) and an increase in a minimum local spending. Tax incentives under the IBC regime replace all previous tax incentives under Regional Operating Headquarters (ROH) I and II, International Headquarters (IHQ), Treasury Center (TC) and International Trading Center (ITC) regimes. This measure is in response to the Harmful Tax Practices – 2017 Progress Report on Preferential Regimes (Inclusive Framework on BEPS: Action 5) in which Thailand's regional/international headquarters, trading and treasury hub regimes were identified as harmful tax practices.

Entities previously granted incentives under ROH II, IHQ, TC and/or the ITC regimes remain eligible for these tax incentives under the existing conditions until their current status expires (up to 15 years for an IHQ/ITC) while those with ROH I status (which does not have a time limit) can only enjoy the incentives until the end of the accounting year 2020. Alternatively, they (except an ITC) may choose to convert their status to an IBC if they meet the conditions.

See EY Global Tax Alert, *Thailand enacts International Business Centers regime to replace existing incentive regimes*, dated 7 January 2019.

## Uruguay

Uruguay's Ministry of Economy and Finance issued, on 26 October 2018, a Regulatory Decree (the Decree) regarding the preparation and presentation of the CbC report and master file under the transfer pricing rules. The Decree regulates the information that it is required to be included in the CbC report and the master file. It also establishes the due date of submission of the CbC report and the master file, i.e., within 12 months after the end of the reporting fiscal year (RFY). Failure to submit the CbC report may result in progressive penalties up to US$250,000, depending on the severity of the failure.

On 4 January 2019, Uruguay's General Tax Directorate (DGI) issued Resolution 94/019, which contains provisions regarding the CbC reporting (CbCR) rules. Based on the Resolution, for reporting fiscal years that ended between 31 December 2017 and 30 November 2018 the deadline for submission of the CbC report is within 15 months after the end of the RFY (e.g., for an MNE group with a reporting fiscal year ending on 31 December 2017, the CbC report should be file by 31 March 2019).

The Resolution also prescribed the deadline and mechanism for the submission of the CbCR notification. The CbCR notification should be submitted by the end of the RFY of the MNE group on an annual basis through the website of the DGI. However, for the reporting fiscal years ending between 31 December 2017 and 28 February 2019 the deadline for filing of the CbCR notification is 31 March 2019.

The Decree and the Resolution apply to reporting fiscal years beginning on or after 1 January 2017.

See EY Global Tax Alert, *Uruguay's Ministry of Economy and Finance issues CbC report and master file rules*, dated 4 January 2019.

## United Kingdom

On 3 January 2019, HM Revenue & Customs (HMRC) published the synthesized text of the 2001 Lithuania-UK Double Tax Convention, displaying the modifications made to the treaty by the MLI. The synthesized text reflects the agreement reached between the relevant tax authorities of both UK and Lithuania on how the treaty should be impacted by the MLI. The provisions of the MLI entered into force for Lithuania on 1 January 2019 and on 1 October 2018 for the UK. The provisions of the MLI will have effect with respect to the Lithuania-UK Double Tax Convention on: (i) 1 January 2019 for taxes withheld at source in both jurisdictions; (ii) 1 July 2019 with respect to all other taxes levied by Lithuania; (iii) 1 April 2020 for corporation tax in the UK; and (iv) 6 April 2020 for income tax and capital gains tax in the UK.

On 1 January 2019, the HMRC published the synthesized text of the 1990 Slovak Republic-UK Double Tax Convention, displaying the modifications made to the treaty by the MLI. The provisions of the MLI entered into force for the Slovak Republic on 1 January 2019 and for the UK on 1 October 2018. The provisions of the MLI will have effect with respect to the Slovak Republic-UK Tax Convention on: (i) 1 January 2019 for taxes withheld at source in both jurisdictions; (ii) 1 July 2019 with respect to all other taxes levied by the Slovak Republic; (iii) 1 April 2020 for corporation tax in the UK; and (iv) 6 April 2020 for income tax and capital gains tax in the UK.

## United States

On 20 December 2018, the US Internal Revenue Service (IRS) released proposed regulations (REG-104352-18) that would implement the anti-hybrid mismatch rules under Internal Revenue Code Sections 245A(e) and 267A, which were enacted under the law known as the *Tax Cuts and Jobs Act*. The proposed regulations also include rules under Sections 1503(d), 6038, 6038A, and 7701 (collectively, the Proposed Regulations).

See EY Global Tax Alert, *US IRS proposes regulations implementing anti-hybrid mismatch rules and expanding scope of dual consolidated loss regulations*, dated 4 January 2019.

On 13 December 2018, the US Treasury Department and IRS issued proposed regulations (REG-104529-18) under Internal Revenue Code Section 59A (Proposed Regulations), providing guidance on the application of the base erosion and anti-abuse tax (BEAT). The Proposed Regulations include provisions addressing: (i) The identification of applicable taxpayers subject to the BEAT under the statutory aggregation rules; (ii) Application of the BEAT to partnerships and consolidated groups; (iii) Treatment of non-cash payments as base erosion payments; (iv) Application of various exceptions from base erosion payments in certain circumstances; (v) Accounting for net operating loss carryforwards when computing modified taxable income.

See EY Global Tax Alert, *US proposed regulations provide guidance on base-erosion and anti-abuse tax under Section 59A*, dated 17 December 2018.

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