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Asia Oceania Tax Consultants' Association



WEST AFRICAN UNION OF TAX INSTITUTES

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OECD Releases Tax Revenue Statistics for Asian and Pacific Economies

In November, the OECD [published](#) Revenue Statistics for Asian and Pacific Economies, in particular: Australia, the Cook Islands, Fiji, Papua New Guinea, New Zealand, Samoa, the Solomon Islands, Thailand and Tokelau.

The report demonstrates that the tax to GDP ratio fell in the majority of the jurisdictions between 2015 and 2016, highlighting a possible need for the jurisdictions to broaden their tax bases in light of the decrease in revenue. Decreases in the price of natural resources within the period was also identified as a cause for the decrease in revenue.

Revenue from corporate income tax ranged from 9.4% of total tax revenue to 41.1% across the countries, with the majority of Asian jurisdictions collecting more revenue from corporate income tax than personal income tax, with the opposite being true of the Pacific economies. VAT accounted for around 25% of revenues in Pacific economies, aside from in Australia and PNG, but was a less significant source of revenue in Asian jurisdictions.



Latin American Ministers Launch Tax Initiative

At a meeting of ministers, high-level officials and representatives from Latin America held in Uruguay on 19 November the so-called "[Punta del Este Declaration](#)" was signed to strengthen efforts within the region to combat tax fraud and corruption.

Under the agreement, Ministers and Deputy Ministers from Uruguay, Argentina, Panama and Paraguay have undertaken to establish a Latin American initiative to maximise the exchange of information to tackle tax evasion, explore further means of cooperation and establish national action plans to further the cooperation objectives.

Progress in relation to the undertakings will be presented by representatives from the jurisdictions attending the next OECD Global Forum.



Forum on Harmful Tax Practice Releases Preferential Tax Regime Update

The OECD has [released a progress report](#) as part of implementation of Action 5 of the OECD/G20 Base Erosion and Profit Shifting Project, concerning assessments undertaken by the Forum on Harmful Tax Practices (FHTP) of 53 preferential tax regimes.

From the regimes, 18 originate in jurisdictions which have made legislative changes to abolish or amend the regime, 4 regimes are specifically designed to meet the BEPS Action 5 standard, 10 regimes have prompted new commitments to implement legislative changes to abolish the regimes and 17 will now be brought into the FHTP review process.

The 4 remaining regimes were out of scope, not yet operational, already abolished or did not feature harmful features.

The Forum on Harmful Tax Practices next meets in January 2019 to continue assessing regimes where commitments were made by jurisdictions in 2017 to amend or abolish those regimes.



OECD Invites Input on Dispute Resolution Process

The OECD has now [published](#) a taxpayer questionnaire seeking input for the Stage One peer reviews for Brazil, Bulgaria, China, Hong Kong, Indonesia, Papua New Guinea, the Russian Federation and Saudi Arabia.

The peer reviews are being undertaken as part of the peer review process under Action 14 of the BEPS Action Plan concerning the Mutual Agreement Procedure (MAP). In particular, taxpayers are requested to provide input on issues concerning the access to MAP, the clarity of MAP guidance and implementation of MAP agreements concerning the jurisdictions.

Taxpayers and business and industry associations are requested to complete the questionnaire by 13 December 2018.



Global Forum on Transparency & Exchange of Information for Tax Purposes Release Report

The OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes have [released a report](#) concerning the implementation of Automatic Exchange of Information. The report was released at its annual meeting which took place on 20-22 November in Uruguay.

Over 4,500 bilateral exchanges of information have taken place between 86 jurisdictions, in line with the Automatic Exchange of Information standards, with the exchange containing information concerning financial accounts taxpayers hold outside their jurisdictions.

The OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes also adopted Terms of Reference for reviews that will take place to assess the effectiveness of the exchange standards in practice, as well as a work plan for the review process. The reviews will commence in 2020.



The selection of the remitted material has been prepared by
Piergiorgio Valente/ Aleksandar Ivanovski/ Brodie McIntosh/ Filipa Correia



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