



BRUSSELS | APRIL 2020

## 1. OECD Updates COVID-19 Tax Measures Response Database & G20 Tax Response Report

The OECD has published an updated version of the [database](#) containing the details of taxation and financial measures taken by governments around the world in response to the COVID-19 outbreak.

At the virtual G20 meeting held on 15 April, a report was also presented concerning [Tax and Fiscal Policy in Response to the Coronavirus Crisis](#). The report was prepared by the OECD at the request of the Saudi G20 Presidency.

The report details taxation and financial measures taken by governments around the world in response to the COVID-19 outbreak, and a range of tax policy measures that can be employed by administrations to mitigate the impact of the outbreak on economies.

## 2. Eurogroup Agree on 500 Billion Euro COVID-19 Recovery Package

On 9 April, EU Finance Ministers [agreed](#) on a half-trillion Euro recovery package, to be administered by the European Stability Mechanism, which will provide targeted relief for EU economies in response to the COVID-19 outbreak.

The package will provide for precautionary credit lines, an interim solidarity instrument to provide loans to Member States from the EU which aim to protect jobs and employees amidst the COVID-19 crisis. In addition, a pan-European guarantee fund will be implemented by the European Investment Bank, to support EU businesses, in particular SMEs.

European Council President Charles Michel in a statement announcing the agreement, stated that *“the agreement of the Eurogroup is a significant breakthrough. More than half a trillion Euros are now available to shield European Union countries, workers and businesses. With this unparalleled package we shoulder the burden of the crisis together. This compromise is aimed at quick targeted relief.”*

### 3. Platform for the Collaboration on Tax Create Website to Assist Developing Countries Strengthen Tax System

The Platform for Collaboration on Tax, a joint initiative of the International Monetary Fund, the Organisation for Economic Co-operation & Development, the United Nations and the World Bank Group, have now [launched a website](#) which aims to disseminate information to assist developing countries to strengthen tax systems and mobilise domestic revenue.

The website contains toolkits, guidance, reports, relevant tax news as well as an extensive database concerning resource mobilisation activities and projects of partners of the Platform for Collaboration on Tax.

The website aims to assist with achieving the Sustainable Development Goals by 2030 and the Addis Ababa Action Agenda.

### 4. OECD Issues Guidance on Cross-Border Tax Issues Raised by COVID-19

The OECD has published [guidance](#) analysing tax treaty implications concerning certain tax issues raised by circumstances surrounding the COVID-19 outbreak.

The guidance examines issues such as potential creation of a permanent establishment or change in the place of effective management on the basis of a cross-border employee carrying out duties remotely, as well as other issues concerning cross-border workers and changes in the residence status of workers.

Pascal Saint-Amans, in a [blogpost](#) concerning the guidance stated *“The exceptional circumstances of the COVID-19 crisis call for an exceptional level of coordination and co-operation between countries, notably on tax issues, to mitigate the potentially significant compliance and administrative costs for employees and employers. The OECD encourages countries to work together to alleviate the unplanned tax implications and potential new burdens arising due to effects of the COVID-19 crisis.”*

The OECD is examining other issues raised by tax measures concerning cross-border workers, and will continue to update the blog and website with information and guidance.

### 5. Global Forum on Transparency & Exchange of Information Peer Review Reports Released

The OECD’s Global Forum on Transparency and Exchange of Information for Tax Purposes has published [peer reviews](#) concerning the compliance of eight jurisdictions with the international standards for exchange of information and transparency. The peer reviews concern the jurisdictions of Barbados, Brunei Darussalam, Liberia, Macau (China), Peru, the Seychelles, Switzerland and Tunisia.

Of the jurisdictions being peer reviewed for the second time, the jurisdictions of Brunei Darussalam, Macau (China) and Switzerland received ratings of largely compliant. Barbados and the Seychelles were downgraded in their second peer review process from largely

compliant to partially compliant. Following their first full review process, Liberia was rated partially compliant and Peru and Tunisia were rated as largely compliant. Further details concerning the ratings can be found [here](#).

The Global Forum is the flagship body for ensuring the implementation of the internationally agreed standards of tax transparency and exchange of taxation-relevant information among tax administrations.

## 6. Forum on Tax Administration Provides Continuity Advice for Tax Administrations

The OECD's Forum on Tax Administration, in collaboration with the Intra-European Organisation of Tax Administrations and the Inter-American Center of Tax Administrations, has [published](#) a document setting out business continuity advice for tax administrations in the wake of the COVID-19 pandemic.

The document aims to unite tax administrations through virtual means concerning tax measures implemented to assist taxpayers, as well as to ensure the continuity of tax administration services and to alleviate potential cross-border tax issues.

Director of the OECD Centre for Tax Policy and Administration, Pascal Saint-Amans, reiterated the importance of the FTA's work, stating "*tax administrations globally have a central role to play in supporting taxpayers, governments and the wider economy at this difficult time.*"

## 7. Comments on Draft Model Rules for Sharing & Gig Economy Published

The OECD has published [comments](#) received in response to a public consultation document inviting input on [draft Model Rules](#) for Reporting for Platform Operators with respect to Sellers in the Sharing and Gig Economy.

The consultation document invited input on model rules which have been developed with the objective of tax administrations worldwide adopting a uniform set of rules concerning the reporting requirements for transactions and income of platform sellers. The rules have been developed to increase transparency and minimise compliance burdens for tax administrations and taxpayers, in properly recording and taxing activities carried out on digital platforms which may have been previously carried out via the informal cash economy.

## 8. OECD Publishes BEPS Action 14 Dispute Resolution Reports

In the framework of the work undertaken through BEPS Action 14 and the improvement of tax dispute resolution mechanisms, the OECD has now [published](#) Stage 2 peer review reports for jurisdictions in the second batch of reviews, assessing the efforts by countries to implement the Action 14 minimum standard as agreed to under the OECD/G20 BEPS Project and the recommendations for the jurisdictions in the Stage 1 peer review reports.

The published reports concern the jurisdictions of Austria, France, Germany, Italy, Liechtenstein, Luxembourg and Sweden. BEPS Action 14 seeks to improve the tax-dispute

resolution mechanisms via the Inclusive Framework peer-review process, which looks into the compliance with the minimum standard reviewed and monitored by peer countries.

## 9. Taxing Wages 2020 Report Published

On 30 April 2020 the OECD published its annual flagship report on the rates of tax levied in OECD countries on the wages and salaries of citizens, [Taxing Wages 2020](#).

The report examines rates of taxation and compares, as a percentage share of gross salary, income tax and social security contributions made by employees, social security contributions and payroll taxes paid by employers, as well as any cash benefits received. In addition, the report examines taxes at a household level, comparing rates of taxes across different pay levels and amongst different family configurations, such as families with and without children, and across those households with either single or multiple incomes.

Those wishing to read the report can access it using this [link](#).

## 10. Albert Rädler Medal 2019: CFE Announces Winner of Academic Excellence Award

CFE Tax Advisers Europe is proud to announce that the Albert J Rädler Medal Award 2019 for academic excellence in European taxation has been awarded to Mr William Criminisi of the Luigi Bocconi University for his Master's thesis entitled "Hybrid Mismatch Arrangements in International Tax Law".

The CFE Albert J Rädler Medal Award was launched in 2013 to encourage academic excellence among young tax students in the field of European taxation, and to recognise the outstanding contribution to the field of taxation of the late Professor Albert J Rädler.

The CFE Academic Jury, composed of Prof. Dr Pasquale Pistone, Prof. Dr Michael Lang and Prof. Dr Otmar Thömmes, stated of the thesis that *"Mr Criminisi's manuscript provides with a comprehensive and in-depth analysis of a very technical topic, such as hybrid mismatch arrangements, supported by comparative legal analysis. The focus on the implementation of BEPS related measures through the ATAD also takes into account the compatibility of the latter with primary law of the European Union. The proposal for issuing secondary EU legislation aligned with IAS/IFRS is constructive and formulated with due consideration of its technical implications and side repercussions."*

The CFE Executive Board and CFE Academic Jury warmly congratulates Mr Criminisi, and wish him the best in his future career.

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