

CUMPLIMIENTO TRIBUTARIO **COLABORATIVO**

Is it possible to develop a regional program in Latin America and the Caribbean?

Multilateral co-operative risk assessment and assurance programmes

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Multilateral co-operative risk assessment and assurance programmes - General

- International Compliance Assurance Programme (ICAP)
- European Trust and Cooperation Approach (ETACA)

Tax certainty vs Tax comfort



“Disclosure and
transparency

in exchange for

**earlier and greater tax
certainty”**

Multilateral co-operative risk assessment and assurance programmes - Goals

- Facilitate and promote tax compliance
- Based on greater cooperation, trust and transparency
 - Between tax administrations and taxpayers
 - Amongst tax administrations
- Reduce tax compliance costs
- Increase tax certainty
- Reduce double taxation, controversy and tax



Multilateral co-operative risk assessment and assurance programmes – Benefits

Taxpayers	Tax Administrations	Multilateral Approach
<ul style="list-style-type: none">✓ More tax certainty✓ Mapping of risk in covered jurisdictions✓ Understanding of how facts are interpreted by tax administrations	<ul style="list-style-type: none">✓ More efficient use of available documentation✓ Commercial awareness✓ Efficient allocation of resources	<ul style="list-style-type: none">✓ Enabling consideration of different views✓ Avoiding inconsistent tax positions✓ No arbitrary tax adjustments or unjustified tax benefits



ICAP 2.0





- 22 participating countries
 - among which: Argentina, Colombia and Chile
- **Covered risks and transactions & periods**
 - Mainly TP and PE risks
 - Other risks: E.g. Hybrid mismatches, WHT, treaty benefits
- **Roles**
 - Lead tax administration
 - Covered tax administrations
 - MNE
- **Outcome letters & Roll-forward periods**





ETACA



- 14 participating EU Member States
- Covered risks and transactions & periods
 - TP risks → only routine intercompany transactions are covered
- Personal scope: MNEs with UPE located in the EU
- Roles
 - Coordinating Member State
 - Participating Member States
 - MNE
-   Common outcome letter & Roll-forward



Potential for programmes
with broader scope

Areas and taxes not covered by ICAP or ETACA

- VAT/GST (ICAP & ETACA)
- Customs duties (ICAP & ETACA)
- Excise taxes (ICAP & ETACA)
- CIT (ICAP & ETACA)*
- Special compulsory levies (ICAP & ETACA)
- Environmental taxes (ICAP & ETACA)
- Payroll taxes (ICAP & ETACA)
- WHT (ETACA)
- Tax treaty matters (ETACA)



Multilateral Cooperative Compliance (MCC)

- Time-period or Project-based MCC?
- Legal base
- Covered risks and transactions
 - Ideally all taxes related to a large cross-border project
- Tax certainty for large cross-border projects
- Separate vs Common outcome letter(s)



Considerations for introducing an MCC programme



- Legal and regulatory barriers
- Importance of standardised documentation
- Entry requirements
 - Economic footprint of MNE
 - Economic footprint of the transaction
- Driver for MCC – alignment of international tax framework
 - TP



Considerations for an MCC pilot

- Designed based on the needs of pilot countries
- Fit within **general compliance risk management strategy**
- Need for national CC programme?
- **Legislation or written agreement** between TAs and taxpayer?
- Taxpayers participating in pilot – reasonably representative
- TCF – approximation of assurance standards
- Evaluation of pilot from the perspective of tax administrations, taxpayers, wider society

CUMPLIMIENTO TRIBUTARIO **COLABORATIVO**

La nueva forma de relacionarse entre los contribuyentes y la Administración Tributaria

¡GRACIAS!

