



March 12, 2019

Public Consultation: Comments invited on THE INTERNATIONAL TAX COMPLIANCE (CBC REPORTING) REGULATIONS, 2019.

THE VALLEY, Anguilla-- The Ministry of Finance, Economic Development, Commerce, Investment and Tourism is pleased to invite members of the public, and in particular business, industry associations, practitioners and any other interested parties to submit comments on THE INTERNATIONAL TAX COMPLIANCE (CBC REPORTING) REGULATIONS, 2019.

The aim of this consultation is to identify any areas of concern with the draft regulations and to ensure that country-by-country reporting will be implemented in Anguilla as intended. These regulations demonstrate Anguilla's continued commitment to international best practice, including implementation of OECD's Base Erosion and Profit Shifting (BEPS) framework and EU related initiatives.

Anguilla became an associate of the Inclusive Framework on BEPS in March 2018, and has proceeded to implement the four BEPS minimum standards/actions. The OECD and G20 countries developed a 15-point Action Plan to address BEPS. One of these actions was related to the transfer pricing documentation ("BEPS Action 13: Re-examine Transfer Pricing Documentation"). These draft Regulations give effect to Action 13 of the BEPS Action Plan.

These Regulations are based on the model legislation published by the OECD on the implementation of country-by-country reporting. These draft regulations should be read in conjunction with the OECD's [consolidated report on Action 13 of the BEPS](#) action plan transfer pricing documentation and country-by-country reporting published on 5 October 2015.

Section 28 of the Tax Information Exchange (International Co-operation) Act No. 3/2016 enables the making of legislation to implement country-by-country reporting. These Regulations introduce a new obligation for multinational enterprises with Parent entities resident in Anguilla and with consolidated group revenue of \$850 million USD or more in a 12-month accounting period, to submit an annual country-by-country report to the Competent Authority in accordance with the OECD template.

The Country-by-Country Reporting template will require multinational enterprises to provide annually and for each jurisdiction in which they do business, aggregated information relating to the global allocation of the multinational enterprises income and taxes paid, together with certain indicators of the location of economic activity within the multinational enterprises groups, as well as information about which entities do business in a particular jurisdiction and the business

activities each entity is engaged in. Insofar, Country-by-Country Reporting will provide a clear overview of where profits, sales, employees and assets are located and where taxes are paid and accrued.

Country-by-country reports will be automatically shared by relevant countries in accordance with international tax agreements governing the exchange of information.

The obligation to file a report will apply to accounting periods commencing on or after 1 January 2019. The country-by-country report will be filed electronically and its form and content will follow the OECD template.

This measure will impact only Anguilla-headed Multi-National Entities (MNEs) with consolidated Group revenue of \$USD 850 million or more.

All comments should be submitted by the close of business on March 19th, 2019 and emailed to marisa.harding-hodge@gov.ai

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The documents are available on www.gov.ai. Please see “recent documents” tab for the pdf file for the draft legislation