



The public registration of statutory accounts

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Benefits of publicly available accounts

Publicly available accounts can **benefit both taxpayers and tax administrations**

- ❑ **Transfer Pricing** - it may assist in providing potential comparables
 - ❑ Scarce in the developing world
 - ❑ accounts of independent companies required
- ❑ **Risk Assessment** - it may provide some indicative data to assist tax administrations assess the international tax risk of MNE taxpayers



the more countries with publicly available accounts data, the greater the potential for appropriate risk assessment and determination of transfer prices



Evaluation of public registration introduction

Consultations

- Collecting tax administrations' views on the value of the potential benefits
 - data on foreign related companies is an important consideration

Cost-benefit analysis

- Assessing the costs of introducing new public accounts filing obligations for both business and the government
 - impact on competition, takeover activity and public scrutiny of business

Alternatives

- Exploring other ways of assisting TA with TP risk assessment
 - requiring detailed information on cross-border transactions in the tax return



Transfer Pricing

Obtaining information on potentially comparable transactions:

Statutory accounts data in the **public domain**

Country size, number of independent companies impact the usefulness of public registration



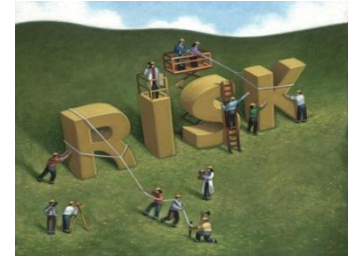
Regional approach

Appropriate where the data available is limited in a country (e.g. advising ATAF on such a possibility)



Risk Assessment

- ❑ Risk assessment data can provide **indicative indicators**
 - ❑ need to treat such data with caution





Tax Return

Survey carried out on country practices on information requested in Corporate Income Tax Returns

□ Useful to:

- Highlight different **approaches**
- Generate **discussion** of how that country might wish to use its CIT return to obtain information
- Develop a **“model”** transfer pricing return schedule

