



PILLAR ONE – AMOUNT B

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Zoom Webinar

Access public consultation document: <https://oe.cd/tax-input>



SPEAKERS



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PILLAR ONE – AMOUNT B

- Context & introduction
- Challenges for business and administrations in the current environment
- Overview of the Amount B consultation document
- Amount B pricing solution
- Next steps
- Q&A



CONTEXT & INTRODUCTION

- MoU on Low Risk Distribution Services (TPG 2013)
- Low value-adding intra-group services (BEPS 2015)
- FTA Santiago communiqué (2019)
- Inclusive Framework Statement (Oct, 2021)



CHALLENGES FOR BUSINESS AND IF MEMBERS IN THE CURRENT ENVIRONMENT

- **Transfer Pricing (TP) MAP cases Statistics:**
 - Inventory +33% from 2016 to 2021;
 - Average time to close 32.3 months;
 - Frequent distribution cases, involving delineation and pricing.
- **Low number of TP MAP cases in developing countries**
 - Taxpayers in the region being less prone to evoke MAP provisions;
 - Low number of DTAs;
 - Old DTAs without MAP articles;
 - Fewer complex TP cases/adjustment due to low capacity/lack of comparables and enabling TP legislations.
- **Increased capacity, enabling TP legislation and renegotiation of DTAs
Changing the Scene In Developing Countries.**



CHALLENGES FOR BUSINESS AND IF MEMBERS IN THE CURRENT ENVIRONMENT

➤ Amount B benefits:

- Clear Scoping criteria for taxpayers that would qualify for Amount B;
- Clarity regarding pricing methodology where Amount B applies;
- Low-Capacity Jurisdictions (LCJs) with no comparables or access to databases can use Amount B;
- MAP-CA spared from extensive discussions on comparables.



OVERVIEW OF THE CONSULTATION DOCUMENT

- What's Amount B?
- Scope
 - Transactions in scope
 - Scoping criteria
 - Potential exclusions
- Documentation



AMOUNT B PRICING SOLUTION

- Pricing of transactions in scope of Amount B
 - What the pricing work is doing
 - Challenges
 - Progress



NEXT STEPS

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