

## Israel Dispute Resolution Profile

(Last updated: December 2024)

### General Information

- **Israel tax treaties are available at:**

<http://www.financeisrael.mof.gov.il/FinanceIsrael/pages/En/EconomicData/DoubleTaXPreventionAgreements.aspx>

- **MAP request should be made to:**

Israel Tax Authority, International Tax Department

[MAP@taxes.gov.il](mailto:MAP@taxes.gov.il)

Ms. Nava Naimer, Senior Advisor, email: [NavaNa2@taxes.gov.il](mailto:NavaNa2@taxes.gov.il)

- **APA request should be made to:**

Israel Tax Authority, International Tax Department

[MAP@taxes.gov.il](mailto:MAP@taxes.gov.il)

Ms. Nava Naimer, Senior Advisor, email: [NavaNa2@taxes.gov.il](mailto:NavaNa2@taxes.gov.il)

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>A. Preventing Disputes</b>				
1.	Are agreements reached by your competent authority to resolve difficulties or doubts arising as to the interpretation or application of your tax treaties in relation to issues of a general nature which concern, or which may concern, a category of taxpayers published?	-	A number of issues are being discussed. No resolution to date. -	-
2.	Are bilateral APA programmes implemented? If yes:	Yes	-	-
a.	<ul style="list-style-type: none"> <li>Are roll-back of APAs provided for in the bilateral APA programmes?</li> </ul>	Yes	-	-
b.	<ul style="list-style-type: none"> <li>Are there specific timeline for the filing of an APA request?</li> </ul>	No	-	-
c.	<ul style="list-style-type: none"> <li>Are rules, guidelines and procedures on how taxpayers can access and use bilateral APAs, including the specific information and documentation that should be submitted in a taxpayer's request for bilateral APA assistance, publicly available?</li> </ul>	See detailed explanation	General MAP guidelines would apply.	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
d.	<ul style="list-style-type: none"> <li>Are there any fees charged to taxpayers for a bilateral APA request?</li> </ul>	No	-	-
e.	<ul style="list-style-type: none"> <li>Are statistics relating to bilateral APAs publicly available?</li> </ul>	Yes	-	(OECD MAP/APA statistics)
3.	Is training provided to your officials involved in the auditing /examination of taxpayers to ensure that any assessments made by them are in accordance with the provisions of your tax treaties?	Yes	All audit & exam officials receive extensive international training covering both domestic and treaty provisions and the interaction between them. Also, refreshment courses and subject oriented training are delivered.	-
4.	Is other information available on preventing tax treaty-related disputes?	Yes	Every field office can consult with an International tax specialist to advise and address difficulties or doubts.	-

**Notes:**

1. An APA is an “arrangement that determines, in advance of controlled transactions, an appropriate set of criteria (e.g. method, comparables and appropriate adjustments thereto, critical assumptions as to future events) for the determination of the transfer pricing for those transactions over a fixed period of time”. (see definition of APA in the *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations* (“Transfer Pricing Guidelines”)).

2. Situations may arise in which the issues resolved through an APA are relevant with respect to previous filed tax years not included within the original scope of the APA. The concept of “roll-back” is further elaborated in paragraph 4.136 of Section F (Advance pricing arrangement) of Chapter IV of the Transfer Pricing Guidelines and in paragraph 69 of Section D.4.2 (Possible retrospective application (“Roll back”)) of the Annex to Chapter IV (Guidelines for Conducting Advance Pricing Arrangements under the Mutual Agreement Procedure (“MAP APAs”)) of the Transfer Pricing Guidelines. Simply put, the “roll-back” of the APA is understood to mean that the outcome of the APA is applied to previous filed tax years not included within the original scope of the APA.

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>B. Availability and Access to MAP</b>				
5.	Are transfer pricing cases covered within the scope of MAP?	Yes	-	-
6.	Are issues relating to the application of treaty anti-abuse provision covered within the scope of MAP?	Yes	-	-
7.	Are issues relating to the application of domestic anti-abuse provision covered within the scope of MAP?	Yes	-	-
8.	Are issues where there is already an audit settlement between the tax authority and the taxpayer covered within the scope of MAP?	Yes	<p>However, the existence of the settlement and the circumstances of its conclusion will be taken into consideration in determining whether the request is justified and as part of the considerations taken in managing the case.</p> <p>The competent authority will request the other competent authority to consider granting correlative relief but only in exceptional cases will the competent authority deviate from an audit settlement.</p>	<p>Income Tax Administrative circular no. 01/2023</p> <p><a href="https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax_RepresentInfo_Professional-directives-01-23.pdf">https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax_RepresentInfo_Professional-directives-01-23.pdf</a></p>
9.	Are double taxation cases resulting from bona fide taxpayer initiated foreign adjustments covered within the scope of MAP?	Yes	-	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
10.	Are there any other treaty related issues not covered under s/n 5 to 9 which are not within the scope of MAP?	See detailed explanation	The computation of foreign tax credit is governed by domestic law and therefore domestic legal aspects are not subject to MAP.	-
11.	Are taxpayers allowed to request MAP assistance in cases where the taxpayer has sought to resolve the issue under dispute via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	Yes	Generally, suspension of judicial procedures pending MAP resolution is preferred.	-
12.	Are taxpayers allowed to request for MAP assistance in cases where the issue under dispute has already been decided via the judicial and administrative remedies provided by the domestic law of your jurisdiction?	See detailed explanation	The ITA considers that a request can be made but the CA may be limited by the judicial decision.	-
13.	Are rules, guidelines and procedures on how taxpayers can access and use MAP, including the specific information and documentation that should be submitted in a taxpayer's request for MAP assistance, publicly available?	Yes	Information provided in the detailed circular.	<a href="https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTaxRepresentInfo_Professional-directives-01-23.pdf">https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTaxRepresentInfo_Professional-directives-01-23.pdf</a>
14.	Are there specific timeline for the filing of a MAP request?	No	Treaty based timeline. However, in the absence of timeline in treaty	<a href="https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax">https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax</a>

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
			within a reasonable time following the date when the Applicant found out for the first time about the action which leads or might lead to imposition of tax on him, not in accordance with the treaty provisions.	<a href="#">RepresentInfo Professional-directives-01-23.pdf</a>  According to the circular, in the absence of a timeline in the treaty, a request filed within 3 years would be considered within a reasonable time.
15.	Are guidance on multilateral MAPs publicly available?	No	-	-
16.	Are tax collection procedures suspended during the period a MAP case is pending?	See detailed explanation	Case specific treatment: collection may be suspended and appropriate guarantee may be required.	-
17.	Are there any fees charged to taxpayers for a MAP request?	No	-	-
18.	Is there any other information available on availability and access to MAP?	-	-	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>C. Resolution of MAP Cases</b>				
19.	Are there any model timeframes for the steps taken by your competent authority from the receipt of a MAP case to the resolution of the case provided to taxpayers?	See detailed explanation	Intention to adhere to the BEPS Action 14 recommendations.	-
20.	Are statistics relating to the time taken to resolve MAP cases publicly available?	Yes	-	-
21.	Is interest or penalties resulting from adjustments made pursuant to a MAP agreement waived or dealt with as part of the MAP procedure?	See detailed explanation	Case specific treatment. Could be dealt with as part of the MAP procedure.	-
22.	Are the roles and responsibility of the MAP office publicly available, for example, is the mission statement of the MAP office available in the <i>annual</i> report of the organisation?	See detailed explanation	Circular 01/2023 describes the role and responsibilities of the CA.	<a href="https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax_RepresentInfo_Professional-directives-01-23.pdf">https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax_RepresentInfo_Professional-directives-01-23.pdf</a>
23.	Is MAP arbitration a mechanism currently available for the resolution of tax treaty related disputes in any of your tax treaties?  If not:	No	Only one exception for the DTT with Denmark.	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
a.	<ul style="list-style-type: none"> <li>Are there any legal limitations in your domestic law (for example in your constitution) to include MAP arbitration in your tax treaties?</li> </ul>	See detailed explanation	Binding legal opinion of the Government Chief Legal Council.	-
b.	<ul style="list-style-type: none"> <li>Does your treaty policy allow you to include MAP arbitration in your tax treaties?</li> </ul>	No	-	-
24.	<p>Is the explanation of the relationship between the MAP and domestic law administrative and judicial remedies publicly available?</p> <p>If yes:</p>	Yes	Income Tax Administrative Circular no. 01/2023.	<a href="https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax_RepresentInfo_Professional-directives-01-23.pdf">https://www.gov.il/BlobFolder/policy/professional-directives-01-2023/he/IncomeTax_IncomeTax_RepresentInfo_Professional-directives-01-23.pdf</a>
a.	<ul style="list-style-type: none"> <li>Does the guidance specifically address whether the competent authority considers that it is legally bound to follow a domestic court decision in the MAP or will not deviate from a domestic court decision as a matter of administrative policy or practice?</li> </ul>	Yes	-	-
25.	Are taxpayers allowed to request for multi-year resolution through the MAP of recurring issues with respect to filed tax years?	Yes	-	-
26.	Do all your jurisdiction's tax treaties contain a provision which would oblige your jurisdiction to make	No	-	-



s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
	corresponding adjustments or to grant access to the MAP with respect to the economic double taxation that may otherwise result from a primary transfer pricing adjustment (i.e. is paragraph 2 of Article 9 of the OECD Model Tax Convention or the UN Model Double Taxation Convention included in all of your jurisdiction's tax treaties)?			
27.	Is there any other information available on resolution of MAP cases?	-	-	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
<b>D. Implementation of MAP Agreements</b>				
28.	Where the agreement reached by your competent authority through the MAP process leads to additional tax to be paid by your taxpayer, is there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for the additional tax to be paid?	No	-	-
29.	Where the agreement reached by your competent authority through the MAP process leads to a refund of the tax due or paid by your taxpayer, are there publicly available information on the timeframe the taxpayer could expect its tax position to be amended to reflect the agreement reached by the competent authority and/or for a refund of the tax paid?	No	-	-
30.	Are all mutual agreements reached through MAP implemented notwithstanding any time limits in your domestic law?	No	Agreements on requests that were made within the timeframe of the treaty will be implemented provided that appropriate procedures were undertaken to avoid limitations or the specific treaty contains a provision to override limitations in domestic law.	-

s/n		Response	Detailed explanation	Where publicly available information and guidance can be found
31.	Is there any other information available on the implementation of MAP agreements?	-	-	-