



Webinar: Multilateral Convention to Implement Amount A of Pillar One

26 October 2023 | 15:30-17:00 CEST
Zoom



Housekeeping

- The event will start at 15:30 CEST
- Chat function disabled for security purposes
- Submit questions via Q&A function
- Webinar is being recorded. Both webinar and presentation slides will be available within 24 hours
- Join the conversation on social media by using #Pillar1MLC



Speakers



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Agenda

- Session 1. Applying Amount A rules
- Session 2. Tax Certainty Framework for Amount A and related issues
- Session 3. Removal and Standstill of DSTs and relevant similar measures
- Session 4. Q&A



SESSION 1

APPLYING AMOUNT A RULES



Overview

Step 1. Scope determination

1.1. Group revenue and profitability test



1.2. Limited exclusions

Step 2. Identification of Eligible Market Jurisdictions

2.1. Categorise group revenue and identify applicable source rule



2.2. Apply the source rule using a 'reliable method'



2.3. Determine nexus

Step 3. Calculation and Allocation of Profit

3.1. Determine the relevant group profit



3.2. Allocate a portion of 'excess profit'



3.3. Adjust for double counting

Step 4. Eliminate double taxation

4.1. Determine RODP for each jurisdiction



4.2. Allocate relief obligations to jurisdictions



4.3. Identify relief entities in each relieving jurisdiction

Step 5. Filing obligations, payment and claiming relief

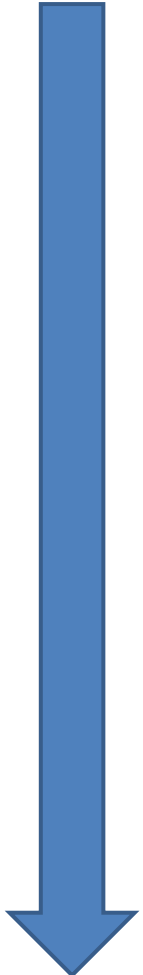
5.1. Streamlined filing obligations



5.2. Streamlined payment of tax



5.3. Double Tax Relief process





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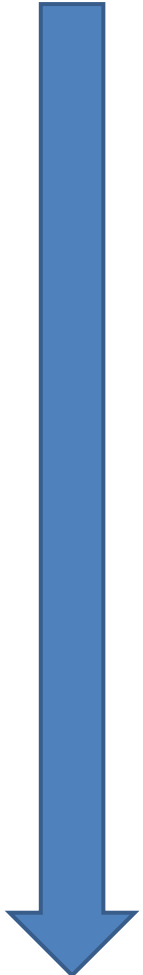
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Step 1. Scope Determination

1.1. Group revenue and profitability test

Revenue test

- **Adjusted Revenues exceed EUR 20 billion** – Adjusted Revenues are calculated based on the accounting revenues reported in the consolidated financial statements, excluding VAT/similar consumption taxes, and subject to limited adjustments.

Profitability test

- **Pre-tax profit margin exceeds 10%** (with an Averaging Mechanism)* – Pre-tax profit margin is equal to the relevant group profit ignoring losses, divided by the Adjusted Revenues.

**Where the Group was not in scope in both of the two immediately preceding periods, two additional tests must be satisfied:*

- Pre-tax profit margin greater than 10% in at least two of the four periods immediately preceding the period;*
- Weighted average pre-tax profit margin over the five periods ending in the current period exceeds 10%.*

Same tests at segmentation level

- Where a group fails the profitability test, but one of its reported disclosed segment meets the above two thresholds on a standalone basis, this segment is brought into scope and each subsequent step will apply to the segment in isolation.



Step 1. Scope Determination

1.2. Limited exclusions

Regulated financial services

- Excludes regulated financial institutions (e.g. banks, insurers, asset managers, broker / dealers)
- All regulated financial institutions must:
 - Be licensed;
 - Satisfy regulatory capital requirements; and
 - Satisfy activity tests

Extractives

- Excludes Groups which
 - undertakes exploration, development or extraction activities as a principal on its own account, and
 - derives revenues, which in aggregate have a substantial connection with exploration, development or extraction by the Group (e.g., large oil & gas and mining operations)

Autonomous domestic business

- Excludes financial results of entities located in a jurisdiction in which a business of the MNE is conducted autonomously from the rest of the MNE
- Autonomy of a domestic business is assessed by quantitative thresholds (e.g. ratio of sourced revenues to third-party revenues, level of cross-border intra-group transactions)

Defence

- Excludes supplies that have a defence purpose which is determined by:
 - the procuring party or user of the supply;
 - whether the supply is subject to export control regulation; or
 - whether disclosing information relating to the supply is prohibited by law



Step 1. Scope Determination

1.2. Limited exclusions

Regulated financial services

- Revenues and profits of regulated financial institutions (i.e., the qualifying entities in the group) are excluded from the Amount A system;
- Scope is re-tested once the exclusion is applied;
- If the scope thresholds are satisfied after applying the exclusion, revenue and profits of regulated financial institutions are excluded when applying all subsequent steps of the Amount A system.

Extractives

- Revenues and profits derived from extractives will be excluded from the Amount A system;
- Scope is re-tested (i.e. the non-extractive part of the Qualifying Extractive Group) once the extractive exclusion is applied.
- If the scope thresholds are satisfied after applying the exclusion, revenue and profits derived from extractives will be excluded when applying all subsequent steps of the Amount A system.



Step 1. Scope Determination

1.2. Limited exclusions

Autonomous domestic business (ADB)

- Revenues and profits related to an ADB are included when applying scope tests (i.e., scope is not re-tested) but are excluded for all subsequent steps of the Amount A system (so-called “adjustment”).
- De minimis rules may however apply to exclude the full Group from scope (where profits left after the adjustments are minimal).

Defence

- Revenues and profits derived from supplies that have a defence purpose are included when applying scope tests (i.e., scope is not re-tested) but are excluded for all subsequent steps of the Amount A system (so-called “adjustment”).
- De minimis rules may however apply to exclude the full Group from scope (where profits left after the defence adjustments are minimal).



Step 2. Identify Eligible Market Jurisdictions

Step 1. Scope determination

1.1. Group revenue and profitability test



1.2. Limited exclusions

Step 2. Identification of Eligible Market Jurisdictions

2.1. Categorise group revenue and identify applicable source rule



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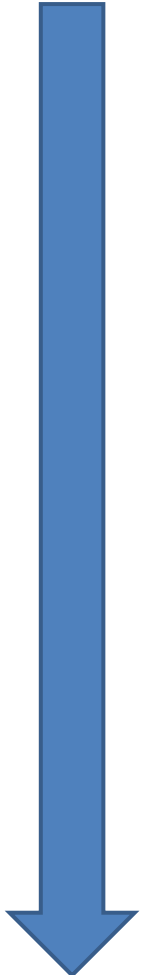
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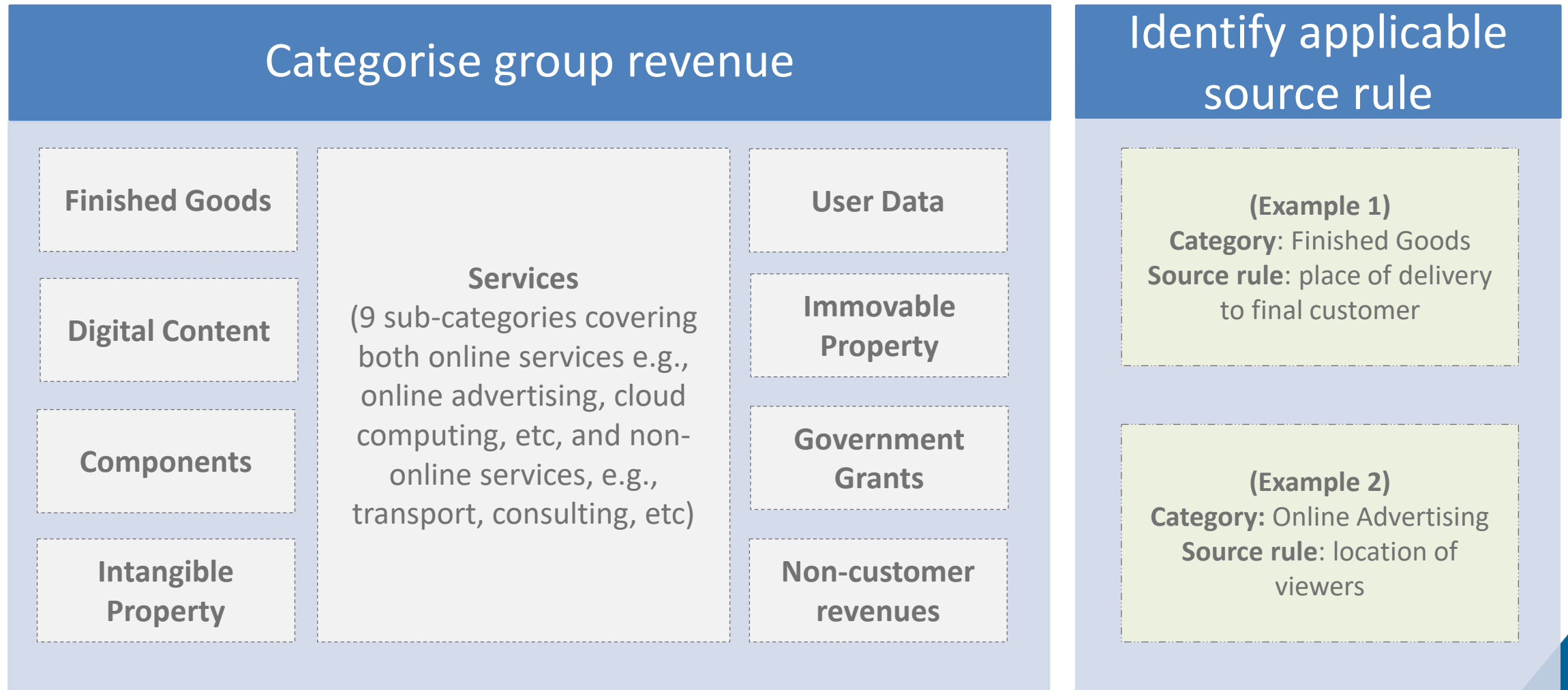
5.3. Double Tax Relief process





Step 2. Identify Eligible Market Jurisdictions

2.1 Categorise group revenue & identify applicable source rule





Step 2. Identify Eligible Market Jurisdictions

2.2 Apply the source rule using a reliable method

Apply the source rule using a reliable method

Reliable method involves the use of ‘reliable indicators’ and, in some cases, ‘allocation keys’

Reliable indicators:

Information available to the MNE that satisfies a reliability standard



Allocation key:

Specified in rules, based on a macroeconomic proxy, e.g. GDP

- Allocation keys may be used if their use is specified in the rule and the MNE determines that no reliable indicators are available
- No requirement to apply reliable method on a transaction-by-transaction basis – revenues may be aggregated
- Approach can be confirmed through **advance certainty**, and **transition rules** permit unrestricted use of allocation keys in initial Periods

If a reliable method has not been applied or cannot be applied, use **default allocation key**

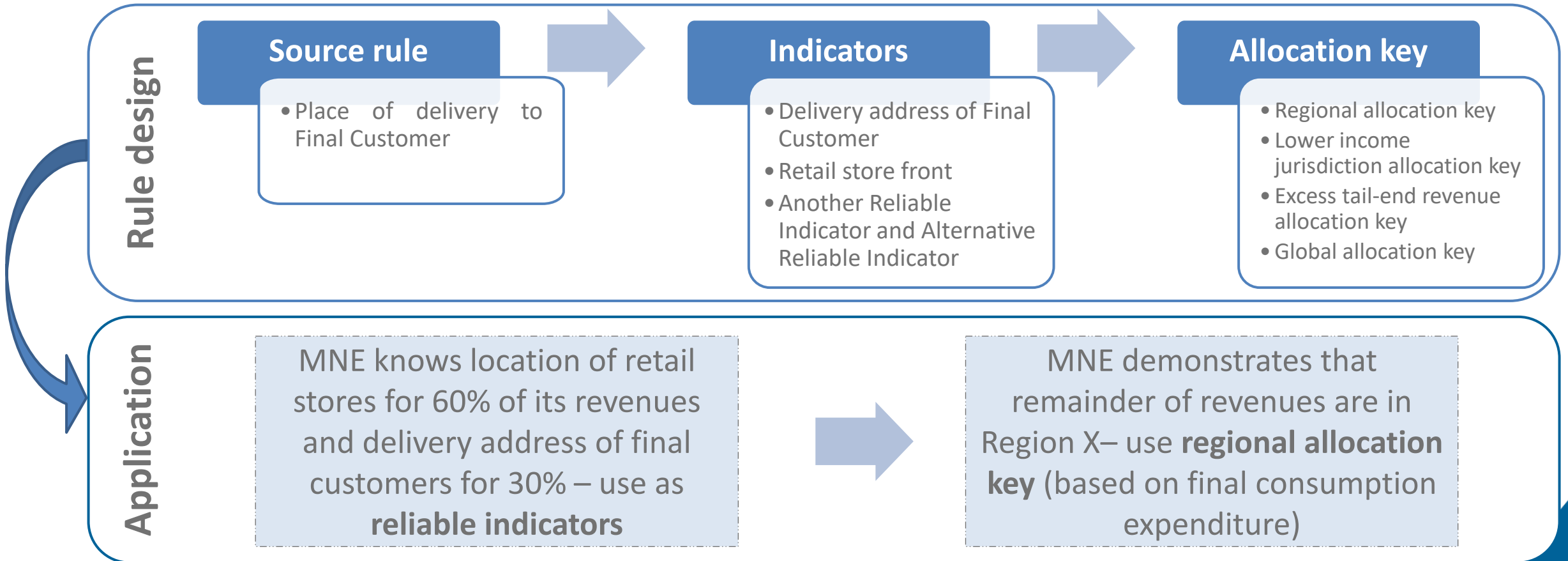
- Backstop ensuring that all revenues are sourced (specified for each category, based on macroeconomic proxies, e.g. GDP).



Step 2. Identify Eligible Market Jurisdictions

2.2 Apply the source rule using a reliable method

Example – Finished Goods sold through an independent distributor





Step 2. Identify Eligible Market Jurisdictions

2.3 Determine Nexus

Determine nexus

- An MNE shall be treated as having nexus in a market jurisdiction if the aggregate Adjusted Revenues sourced in that jurisdiction is equal to or greater than:

(a) EUR 1 million

(b) EUR 250 000 if the Jurisdiction has a GDP of less than EUR 40 billion



Step 3. Calculation and Allocation of Profit

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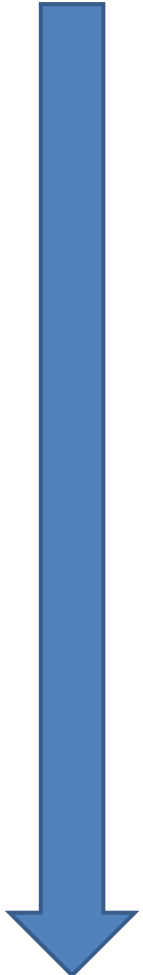
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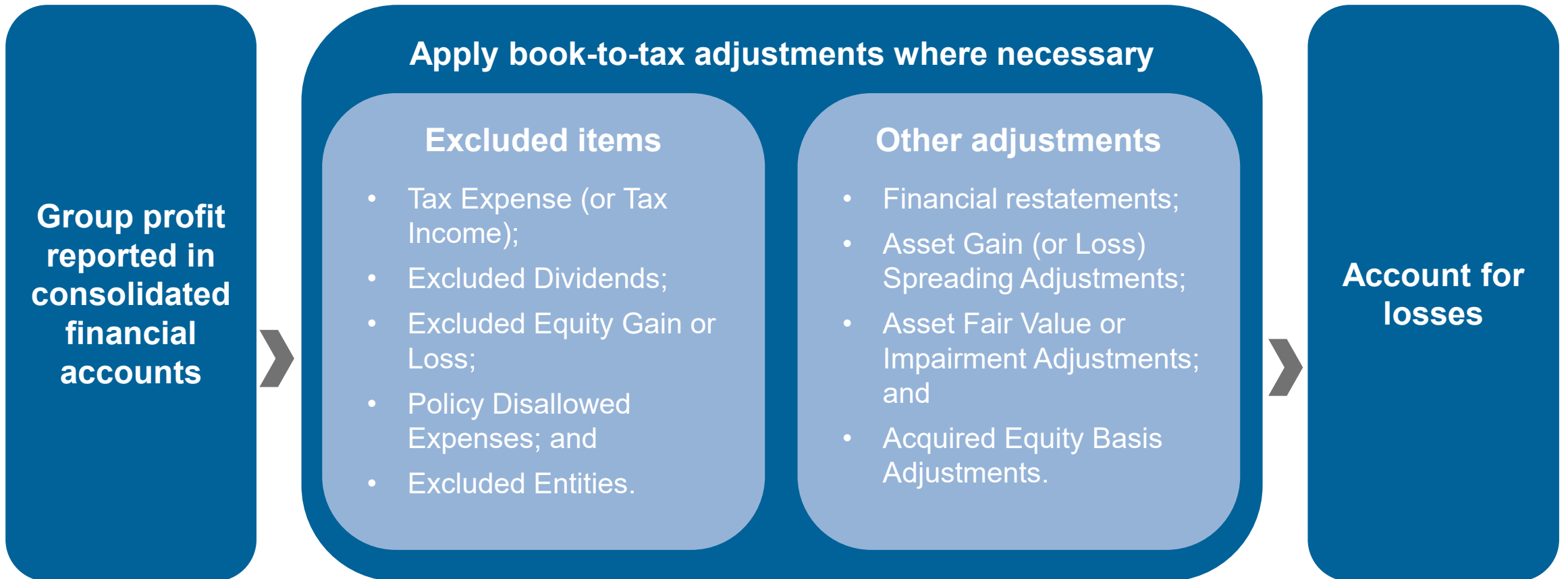
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Step 3. Calculation and Allocation of Profit

3.1. Allocation Tax Base





Step 3. Calculation and Allocation of Profit

3.2. Allocation formula

Group Profit

(Allocation Tax Base)

Three-step formula to compute Amount A profit of the Group, and allocate it to a specific market jurisdiction

1. Subtract normal profit

- Adjusted Revenues of Group multiplied by 10%

2. Reallocation percentage

- Excess profit of the Group multiplied by 25%

3. Sales-based Allocation key

- Ratio of locally sourced Revenues to total Adjusted Revenues of the Group



Step 3. Calculation and Allocation of Profit

3.3. The MDSH – Overview

NB: Relevant if some Amount A is allocated to the market jurisdiction

Step 1

Jurisdictional profit

MNE profit booked in the market, with some adjustments, incl. any upward or downward adjustments for WHTs.

Step 2

De minimis threshold

Jurisdictional profit from step 1, incl. any upward adjustment for WHTs, must equal or exceed EUR 50m.

Step 3

Excess Profit threshold

Jurisdictional profit from step 1, after applying reduction factors to any upward adjustments for WHTs,* must exceed the higher of:

- **RODP threshold** (=10% Group Revenue ÷ Group D&P x Jurisdiction D&P); or
- **ROR floor** (=3% x Revenue sourced in Jurisdiction).

Step 4

MDSH adjustment

A portion of Excess Profit identified under step 3 (if any) is offset to reduce Amount A allocations (90% or 35%* of Excess Profit depending on the outcome of an “activity test”).

* For low-income and lower-middle-income economies per World Bank classifications, the reduction factor to UWA for WHTs is increased in some instances, and the 35% offset is reduced to 25%.



Step 3. Calculation and Allocation of Profit

3.3. MDSH step 1&2 – Highlights

- Jurisdictional profit for MDSH is the sum of:
 - the jurisdictional profit determined for elimination purposes (“elimination tax base”) – i.e. aggregate profit booked in group entities located in the market jurisdiction after some adjustments (see more details in slide 26); and
 - any covered WHTs converted into profit amounts (i.e. upward adjustment), using a formula (Converted profit amount = WHT amount ÷ CIT rate of source country).
- No MDSH adjustment where jurisdictional profit (incl. any upward adjustment for WHTs) is below EUR 50m.



Step 3. Calculation and Allocation of Profit

3.3. MDSH step 3 – Highlights (I)

- Only the portion of the jurisdictional profit for MDSH that exceeds the “higher of” two normal profit thresholds is considered “Excess Profit” (i.e. higher of RODP or ROR, see above slide 20).
- In instances where the jurisdictional profit includes an upward adjustment (UWA) for WHTs, the MDSH further provides for a “reduction factor” (i.e. the UWA is reduced by X%);
 - can be seen as a proxy to identify (and exclude) some normal profit associated with the WHT UWA that is not properly captured by the above two thresholds;
 - more relevant where WHTs are all, or substantially all, of the profit recognised in the market/source jurisdiction under the MDSH;
 - e.g., Jurisdiction A levies €10m of WHT on €100m of payments, assuming a CIT rate of 25%, the resultant profit converted amount (i.e. UWA) is €40m (=10m/25%), and assuming no other MNE profit booked in Jurisdiction A, the RODP threshold would be €0 and ROR threshold €3m (i.e. €37m of Excess Profit).



Step 3. Calculation and Allocation of Profit

3.3. MDSH step 3 – Highlights (II)

- The level of the reduction factor for WHTs is adjusted to the perceived challenges raised by the other thresholds (higher of RODP or ROR) when applied to WHTs :
 - 60% for jurisdictions with no local D&P (or D&P lower than a EUR 50 000, with no locally booked third-party revenue);
 - 30% for jurisdictions with local D&P to sales ratio lower than 75% of Group D&P to sales ratio; and
 - 15% for jurisdictions with local D&P to sales ratio equal to or greater than 75% of Group D&P to sales ratio.
- For low-income and lower-middle-income economies per World Bank classifications, the above reduction factors are increased from 60% to 70%, and 30% to 40%, respectively.



Step 3. Calculation and Allocation of Profit

3.3. MDSH step 4 – Highlights

- Two categories of market jurisdictions are differentiated for defining the portion of Excess profits available to offset Amount A allocations:
 - those with predominantly sales-related local activities (i.e. marketing and distribution), where a higher offset percentage applies (i.e. 90%), as most local Excess profit is likely to create ‘double counting’;
 - those with local activities going beyond marketing and distribution (M&D), where a partial offset applies (i.e. 35%, reduced to 25% for low-income and lower-middle-income economies), as only part of the local Excess Profit is likely to create ‘double counting’.
- A quantitative approach determines whether the MNE performs activities that are predominantly related to M&D in a jurisdiction, drawing on the “activity test” proposed by commentators at the last public consultation;
 - assumes activities are predominantly M&D where ratio of local D&P to local Sales (sourced under Amount A rules) is lower than 75% of that of the Group;



Step 4. Eliminate double taxation

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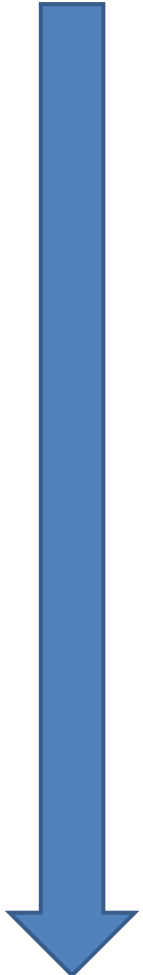
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5.3. Double Tax Relief process





Step 4. Eliminate Double Taxation

4.1 Elimination Tax Base

Aggregate the accounting profit (or loss) per CFS of all group entities in each jurisdiction

Apply book-to-tax adjustments to align more closely to CIT base, including:

- Adjustments at slide 18
- Taxable presence adjustments
- Transfer pricing
- Loss carry forward
- Withholding tax (WHT) downward adjustment *

De minimis threshold ensures that no obligation to relieve double taxation is allocated to jurisdictions that:

- Are part of the smallest group of jurisdictions that make up 95% of the Group's profits; or
- have jurisdictional profit of at least EUR 50m (which can be reduced to EUR 10m under a specific anti-avoidance rule).

* **NB:** Adjustments to locally booked profits include a downward adjustment for WHTs to recognise double tax relief provided by the jurisdiction in relation to WHTs imposed in another jurisdiction. Adjustment calculation involves converting the foreign WHT into a profit amount (using a formula) and deducting it from the elimination tax base.



Step 4. Eliminate Double Taxation

4.1 Determine jurisdictional RODP

Identify depreciation and payroll (D&P) expenses per CFS of all group entities in each jurisdiction

Apply adjustments to D&P to align with jurisdictional elimination tax base calculation (e.g., attribute D&P from main entities to taxable presences)

Calculate jurisdictional Return on Depreciation and Payroll (RODP)



Step 4. Eliminate Double Taxation

4.2 RODP Tier System - Calculate excess profits in tiers

- RODP tier system categorises relieving jurisdictions (based on jurisdictional RODP) and calculates jurisdictional excess profit in each tier

RODP Thresholds	
Tier 1 –	1500% of Group RODP
Tier 2 –	150% of Group RODP
Tier 3A –	Higher of: Tier 3B threshold (below) or 40%*
Tier 3B –	10% of Group Revenue ÷ Group D&P
No obligation to eliminate	

* **NB:** 40% RODP backstop also applies at Tier 1 and Tier 2 (i.e., applies if 150% and/or 1500% of Group RODP is lower than 40%).



Step 4. Eliminate Double Taxation

4.2 RODP Tier System - relief allocation mechanism

- Total relief amount equal to Amount A profit is allocated among relieving jurisdictions based on RODP

In tier 1, relief obligations are allocated using a “waterfall approach”

The highest RODP jurisdiction is allocated relief obligations until its RODP matches second highest RODP jurisdiction. Those two are allocated relief obligations until their RODP matches third highest RODP jurisdiction. This process continues until the jurisdictional RODP of Tier 1 jurisdictions reaches 1500% of Group RODP or all amount A allocations have been relieved



In tier 2, remaining relief obligations are allocated on a “pro rata” basis (if tier 1 insufficient to fully relieve)

Jurisdictions with Tier 2 profit relieve double taxation on a pro-rata basis until either the Amount A profit of the group is fully relieved, or their jurisdictional RODP reaches 150% of Group RODP.



In tiers 3A and 3B, if needed, remaining relief obligations are also allocated on a “pro rata” basis

If Amount A allocations have not been fully relieved in Tier 2, a similar process will apply at Tier 3A and then tier 3B if necessary



Step 4. Eliminate Double Taxation

4.2 RODP Tier System - Example

- Total Amount A profit is EUR 500m, entirely allocated to Jurisdiction A
- Two potential relieving jurisdictions, each with excess profits in Tier 2 and 3A

(Unit: EUR m)

	Jur A	Jur B	Jur C	Total
Amount A allocations (post-MDSH)	500	0	0	500
Tier 1 excess profit	0	0	0	0
Tier 1 relief	0	0	0	0
Tier 2 excess profit	0	100	300	400
Tier 2 relief	0	100	300	400
Tier 3A excess profit	0	400	600	1000
Tier 3A relief	0	40	60	100
Net position	500	-140	-360	0

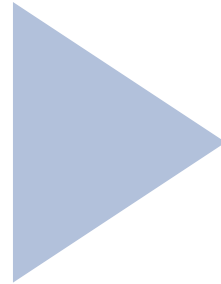


Step 4. Eliminate Double Taxation

4.3 Attribution to relief entities

Each Jurisdiction selects a profit metric to allocate relief to group entities / taxable presences *:

- Excess profit
- Taxable profit
- Accounting profit



Allocation follows a waterfall approach (using absolute profit rather than RODP ratio)

* **NB:** The metric selected by the jurisdiction will apply to all MNEs that have relief amounts in that jurisdiction. The jurisdiction can however bilaterally agree with a particular MNE to apply another method to that MNE



Step 5. Filing obligations, payment and claiming relief

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1.2. Limited exclusions

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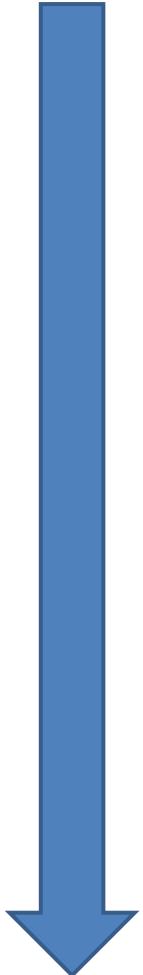
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5.3. Double Tax Relief process





Step 5. Filing obligations, payment and claiming relief

5.1. Streamlined filing obligations

Streamlined compliance

- **Single filing** of a standard template by the Designated Payment Entity (DPE) with the **lead tax administration** will satisfy all Amount A tax filing obligations of the MNE Group to all market jurisdictions and will be provided to relieving jurisdictions for double tax relief process.
- **Standard template** for filing the Amount A Tax Return and the Common Documentation Package includes information on:


Financial and tax data needed to compute the amount of income liable to taxation

Amount of income eligible for relief from double taxation for each Group Entity

Any request for a comprehensive certainty review

Exception

- The only exception to the streamlined compliance is where the DPE also has a separate local tax liability in a jurisdiction.

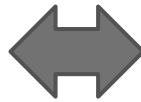


Step 5. Filing obligations, payment and claiming relief

5.2. Streamlined payment of tax

Payment of tax by the DPE

DPE meets the payment obligations of the MNE Group directly to all market jurisdictions.



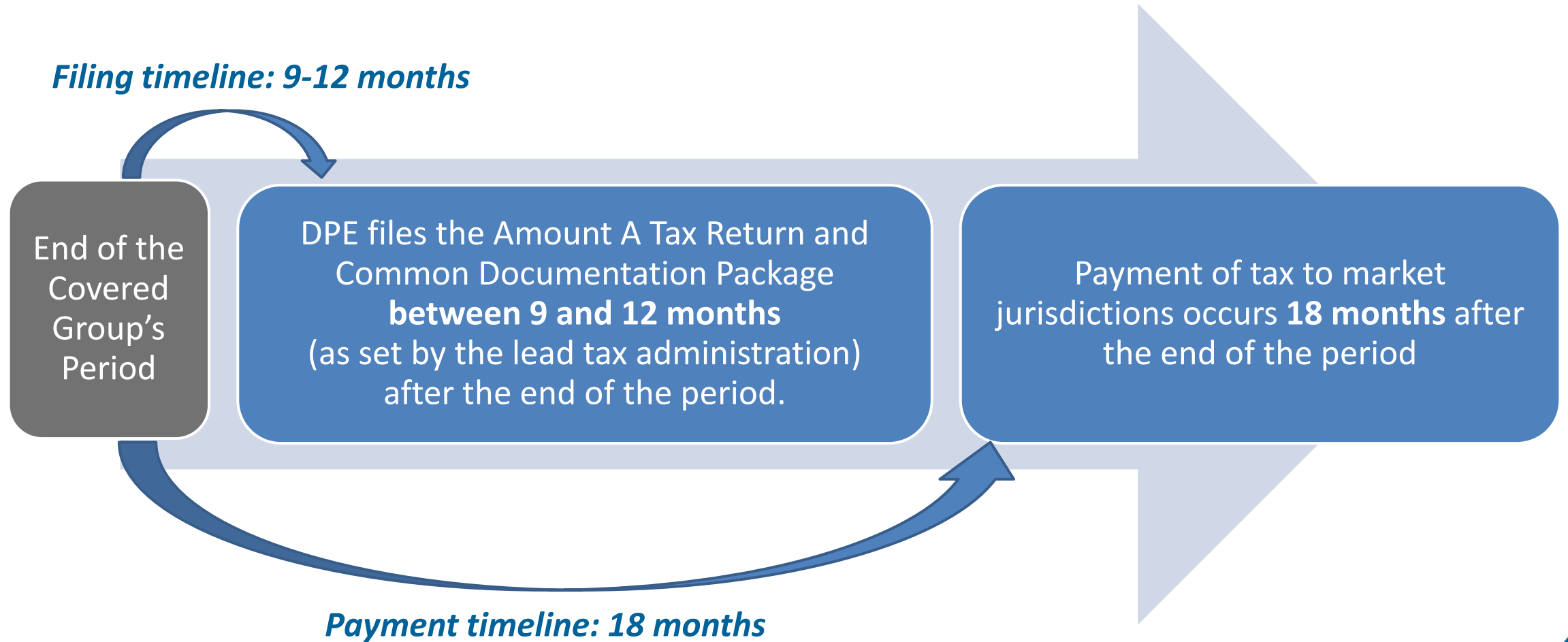
Compensation payment to the DPE

- To fund the DPE, relief entities in the MNE group must make a **compensation payment** equal to the tax paid by the DPE with respect to the relief entity's portion of the Amount A relief amount.
- However, MNE Groups may reduce these payments in line with a Covered Group's Amount A funding agreement.

Compensation payments are a condition to claim double tax relief, but are otherwise ignored for tax purposes (e.g., no tax deduction, no withholding tax).

Step 5. Filing obligations, payment and claiming relief

5.1. & 5.2. Timeline





Step 5. Filing obligations, payment and claiming relief

5.3. Double tax relief process

Double tax relief process is determined by each relieving jurisdiction and is subject to certain guardrails.

Relief method	Process	Guardrails in the MLC	
<p>Relieving jurisdiction must choose between four relief methods:</p> <ul style="list-style-type: none">• Direct payment• Refundable tax credit• Non-refundable tax credit• Deduction (of profit amount)	<p>Relief is claimed by each relief entity through the domestic tax process of the relieving jurisdiction</p>	<p>Timing</p> <p>Relieving jurisdictions must provide relief:</p> <ul style="list-style-type: none">• within 90 days after a valid claim is submitted; or• through a reduction in the relief entity's next tax instalment payment by the relevant amount of relief.	<p>Carry forward</p> <p>If relief cannot be fully utilised in the relevant period, the relieving jurisdiction is required to allow for the relief attribute to be carried forward for a minimum of three fiscal years.</p>



SESSION 2

TAX CERTAINTY FRAMEWORK FOR AMOUNT A AND RELATED ISSUES



Tax Certainty Framework on Amount A

Elements of the Tax Certainty Framework

Scope Certainty

- Provides MNE with certainty it is out of scope for a Period
- Removes risk of separate audit enquiries
- Simplified follow-up process for extractives/RFS groups

Advance Certainty

- Covers aspects of an MNE's methodology and controls
- Applies for multiple periods, subject to critical assumptions
- Focus on revenue sourcing and excluded revenues

Comprehensive Certainty

- Covers all aspects of Amount A that do not already benefit from Advance Certainty
- A single review results in an outcome binding on all parties to the MLC

Determination Panel

- Unresolved disagreements are referred to a determination panel for a final outcome
 - Panel includes a mix of competent authorities and independent experts
- **This guarantees multilateral binding certainty for any MNE that submits a request**



Tax Certainty Framework on Amount A

Process for a review

A request for certainty

- Requests for certainty are submitted to the lead tax administration
- Requests to be accompanied by standardised documentation packages

Identifying who will undertake a review

- Balances efficiency with cases where participation by a panel of several tax administrations in a review would be beneficial
- Rules ensure representation of different categories of party on a panel

The review process

- Clear role provided for the MNE, with opportunities to present its approach and respond to concerns
- Strict time limits apply, with consequences if no decision is reached

Agreeing the outcomes of a review

- Listed / affected parties have an opportunity to object to the outcomes of a review
- Time provided for consultation to address objections, including input/explanation from the MNE

Where there is no disagreement, a binding certainty outcome is agreed

Disagreements are referred to a determination panel for a binding outcome



Tax Certainty Framework on Amount A

Deadlines for completing review / resolving disagreements

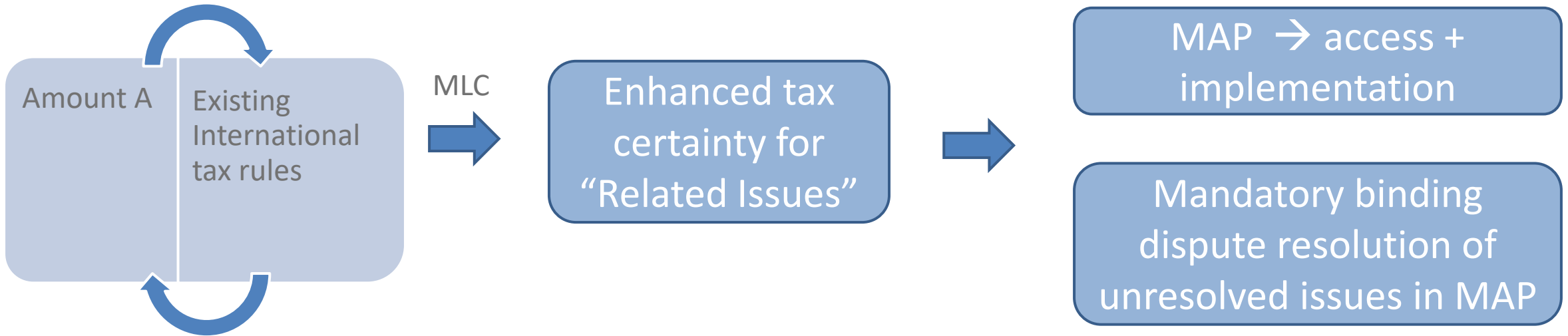
- Strict deadlines apply for each stage of a review (slightly longer deadlines apply the first time certainty is requested, as issues are considered for the first time)
- Where a decision is not reached by this deadline, consequences apply (e.g. the LTA is assumed to support the position of the MNE, or a member of a review panel is disregarded in determining whether the panel reaches agreement on a particular issue)
- A determination panel must decide on all issues where there is disagreement within 90 days



There are no scenarios where certainty can be delayed beyond the timeframes provided in the MLC



Tax Certainty on Issues Related to Amount A



“Related Issue” → TP/PE/WHT characterisation dispute covered by a tax treaty & the adjustment:

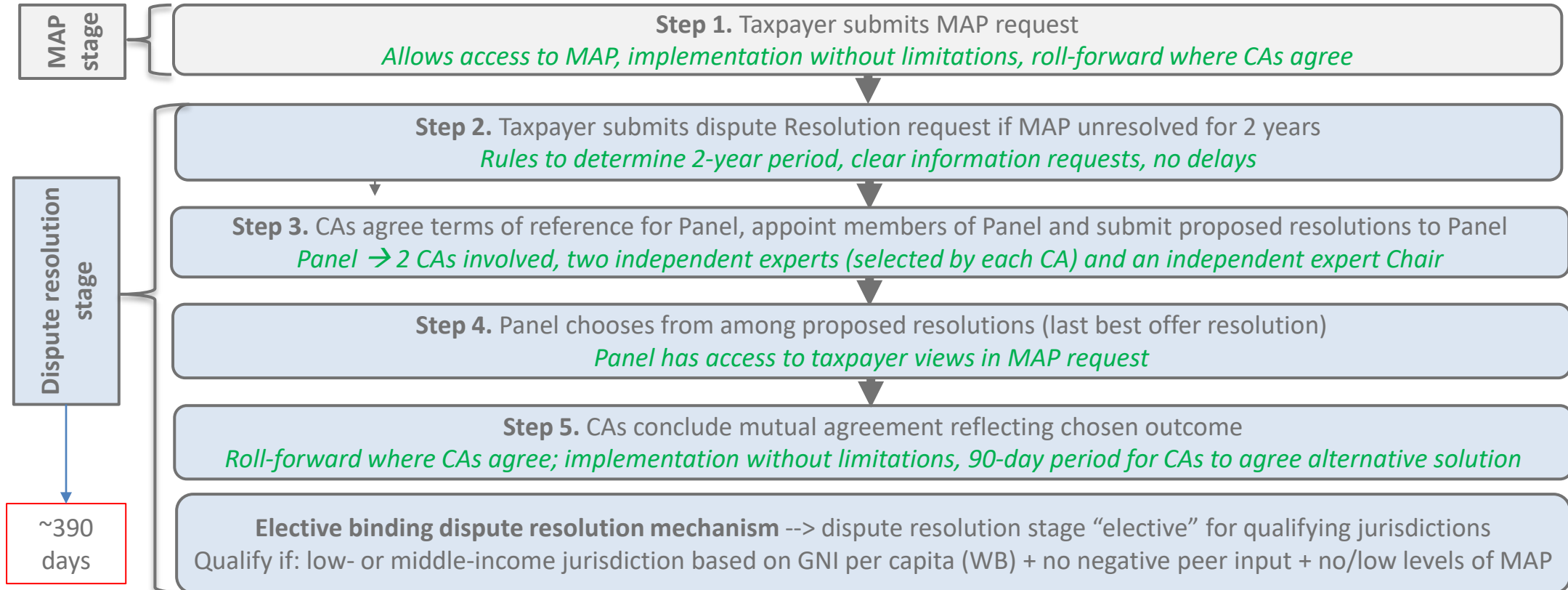
Impacts Amount A relief → changes relieving jurisdictions or relieving tier

OR

Is considered material → Sum of all adjustments by a jurisdiction to MNE in a year is at least EUR 1.5 million (EUR 3 million threshold for initial 3 years).



Tax Certainty on Issues Related to Amount A



Enhanced tax certainty for disputes on existing rules

More dispute prevention efforts from tax administrations



SESSION 3

REMOVAL AND STANDSTILL OF DSTS AND RELEVANT SIMILAR MEASURES



DSTs in the MLC - Overview

- Removal of existing measures (Article 38 & Annex A)
- Definition of DSTs and relevant similar measures (Article 39)
- Review process in the Conference of the Parties (Annex H)
- Treatment of subnational measures (Annex H)
- Specific measures in-scope of tax treaties (Article 40)



Removal of existing measures

- Annex A contains a list of existing measures subject to removal once MLC enters into force, with respect to all companies (whether or not in scope for Amount A)
- Inclusion (or non inclusion) on the list is not considered evidence whether or not the measure is a DST or RSM under MLC definition.

Enacting Jurisdiction	Description of the Measure	Legal Act	Effective Date
Austria	Digital Services Tax	Digital Tax Act 2020	1 January 2020
France	Digital Services Tax	Law no. 759/2019	1 January 2019
India	Equalisation levy on online advertisement services	Finance Act 2016 (Law no. 28/2016), Section 165	1 April 2016
India	Equalisation levy on e-commerce	Finance Act 2016 (Law no. 28/2016), Section 165A	1 April 2020
Italy	Digital Services Tax	Budget Law 2019 (Law no. 145/2018), Article 1, Subsections 35-49	1 January 2020
Spain	Digital Services Tax	Law no. 4/2020, of October 15	15 January 2021
Tunisia	Digital Services Tax	Finance Law 2020 (Law no. 78/2019), Article 27	1 January 2020
Türkiye	Digital Services Tax	Law no. 7194, Articles 1-7	1 March 2020
United Kingdom	Digital Services Tax	Finance Act 2020 (2020 c. 14), Part 2	1 April 2020

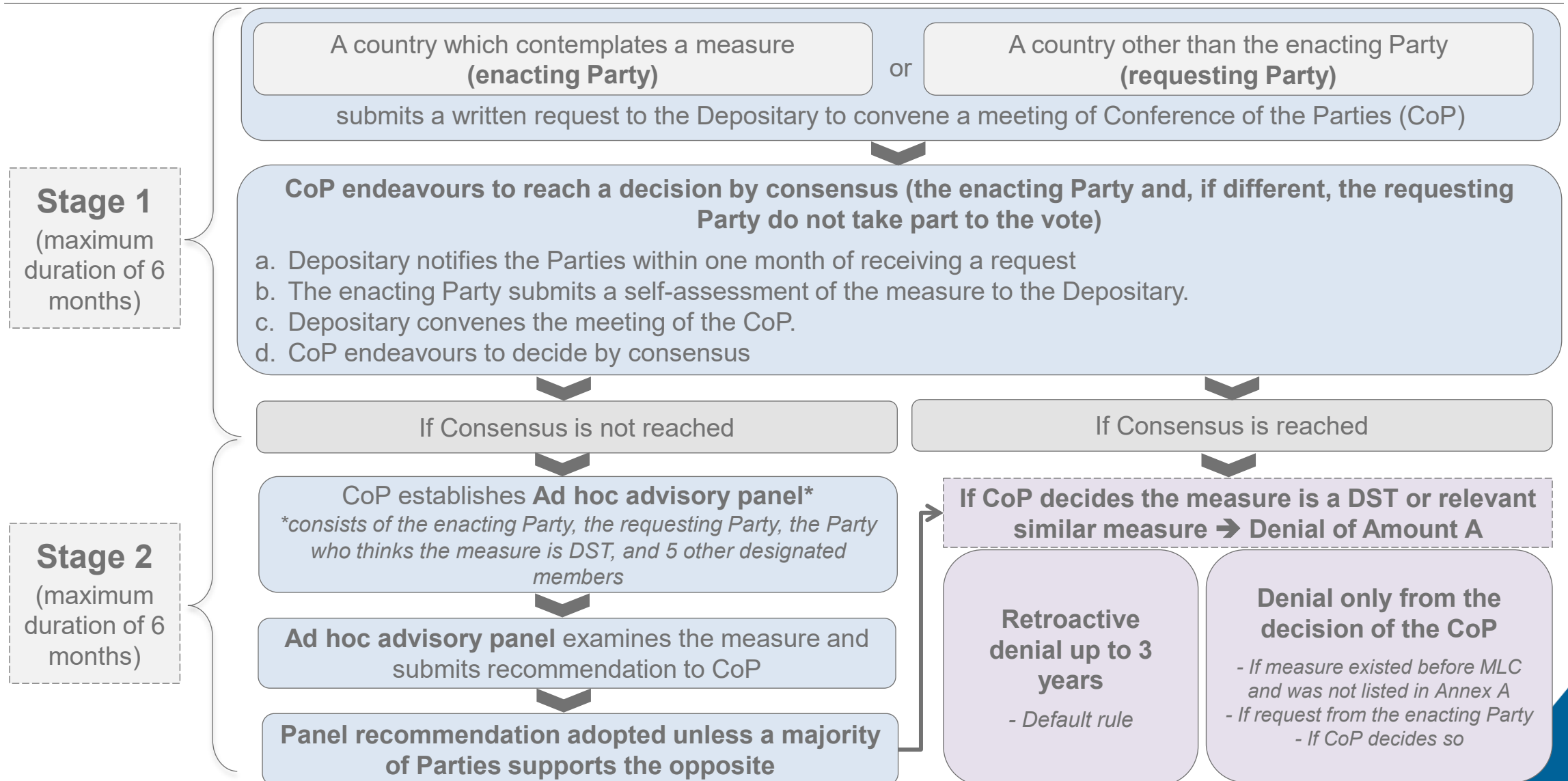


Definition of DSTs and relevant similar measures

- DSTs and relevant similar measures defined by three cumulative criteria:
 - the tax is applied by reference to market-based criteria (e.g. location of customers and users);
 - it is (de jure or de facto) ring-fenced to non-resident or foreign-owned businesses;
 - it is outside the scope of tax treaties.
- Explicit exclusion for: Consumption taxes, transaction taxes that apply on a per-unit or per-transaction basis, and rules to address artificial avoidance of permanent establishments.
- Review by the CoP, who will deny Amount A allocations to any Party with DSTs or relevant similar measure in force and in effect;



Review process in the Conference of the Parties





Treatment of subnational measures

- Specific provisions deal with subnational measures, reflecting the need to strike a balance between 2 considerations:
 - Parties may not control actions of subnational entities;
 - Need to use best efforts to prevent such measures.
- Subnational measures are subject to the same review process as national measures.
- Where the CoP decides there is a subnational DST:
 - the Party must submit to the CoP within 6 months a report describing its best efforts to remove the subnational measure, and
 - the CoP publishes its decision with the report (but no denial of Amount A allocations).



Treatment of specific measures in-scope of tax treaties

- Some measures (e.g. significant economic presence rules) apply on the basis of a non-traditional nexus, irrespective of physical presence.
- These measures are typically covered by tax treaties, and therefore not regarded as DSTs or relevant similar measures.
- However, their intent overlaps with the intent of Amount A, which is also based on a non-physical nexus and related to sales.
- To address this overlap, the MLC prevents the application of such measures to Group Entities of in-scope MNEs.



SESSION 4

QUESTIONS & ANSWERS



Further information

- Access MLC material: <https://oe.cd/pillar1-mlc>
- Contact us by e-mail: ctp.contact@oecd.org
- Follow us on social media:
 - X/Twitter: [@OECDtax](https://twitter.com/OECDtax)
 - LinkedIn: [OECD Tax](https://www.linkedin.com/company/OECD-Tax)



Acronyms

ADB	Autonomous domestic business	MLC	Multilateral Convention to Implement Amount A of Pillar One
CA	Competent Authority	MNE	Multinational enterprise
CoP	Conference of the Parties	PE	Permanent establishment
CIT	Corporate income tax	RFS	Regulated financial services
D&P	Depreciation and payroll	RODP	Return on depreciation and payroll
DPE	Designated Payment Entity	ROR	Return on revenues
DST	Digital services tax	RSM	Relevant similar measures
EUR	Euro	TP	Transfer pricing
GDP	Gross Domestic Product	UPE	Ultimate Parent Entity
GNI	Gross national income	UWA	Upward adjustment
LTA	Lead tax administration	VAT	Value-added tax
MAP	Mutual Agreement Procedure	WB	World Bank
M&D	Marketing and distribution	WHT	Withholding tax
MDSH	Marketing and distribution safe harbour		