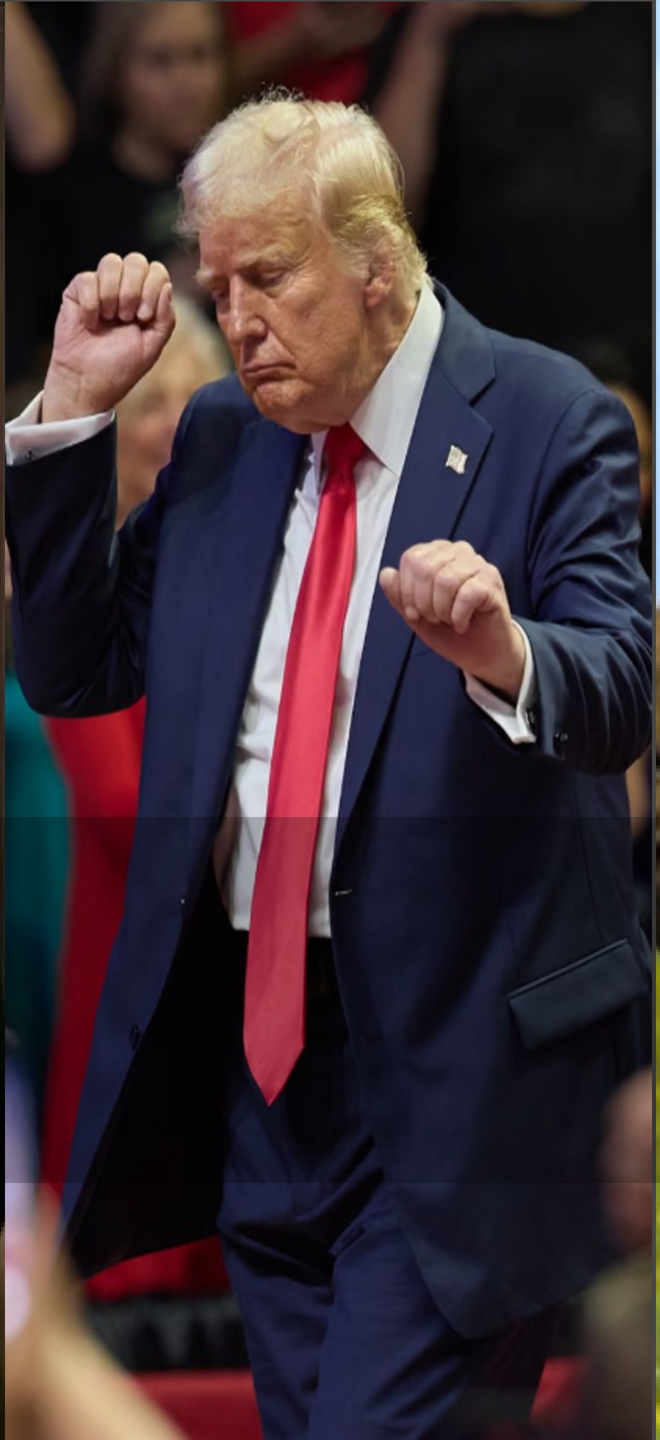





BEPS 2.0

11 July 2026

All India Chartered Accountants Society


A FILM BY CHRISTOPHER NOLAN
OPPENHEIMER

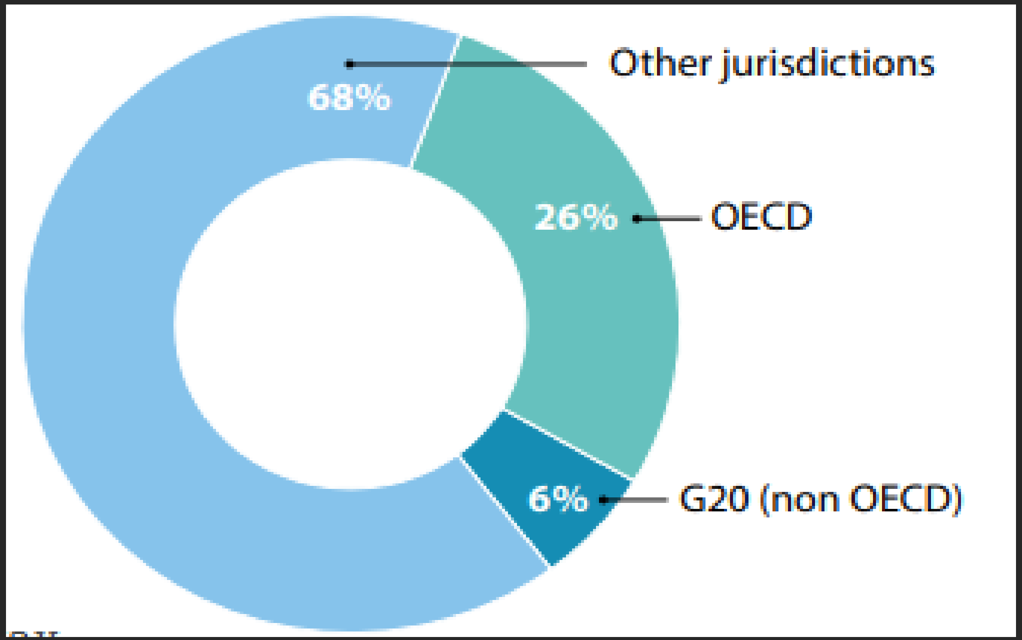

Life
LIFE IS BEAUTIFUL


A STEVEN SPIELBERG FILM
tom hanks
saving private ryan
edward burns matt damon tom sizemore
the mission is a man.
DREAMWORKS PICTURES AND PARAMOUNT PICTURES PRESENT
AN AMBLIN ENTERTAINMENT PRODUCTION IN ASSOCIATION WITH MUTUAL FILM COMPANY TOM HANKS "SAVING PRIVATE RYAN"
EDWARD BURNS MATT DAMON TOM SIZEMORE CO-PRODUCERS BONNIE CURTIS AND ALLISON LYON SEGAN MUSIC BY JOHN WILLIAMS
COSTUME DESIGNER JOANNA JOHNSTON FILM EDITOR MICHAEL KAHN, A.C.E. PRODUCTION DESIGNER TOM SANDERS DIRECTOR OF PHOTOGRAPHY JANUSZ KAMINSKI, A.S.C.
PRODUCED BY STEVEN SPIELBERG & IAN BRYCE AND MARK GORDON & GARY LEVINSOHN WRITTEN BY ROBERT RODAT
DIRECTED BY STEVEN SPIELBERG
DREAMWORKS PICTURES


देव आनन्द · साधना
Navketan's
HUM DONO
देव आनन्द
नन्दा
हम दोनो
VIJAY ANAND
SAHIR

Contents

Intergovernmental Forums and OECD

G7	G20	OECD	OECD / G20 Inclusive Framework on BEPS
Canada France Germany Italy Japan UK USA	Canada France Germany Italy Japan UK USA Argentina Australia Brazil China India Indonesia South Korea Mexico Russia Saudi Arabia South Africa Turkey EU	38 members Mostly developed countries	140+ countries 

COMPOSITION OF THE STEERING GROUP OF THE OECD/G20 INCLUSIVE FRAMEWORK ON BEPS

(as at June 2026)

Co-Chairs		
Tim	**POWER**	UK
Marlene	**NEMBHARD-PARKER**	Jamaica
Deputy Chairs		
Carlos Eduardo	**PROTTO**	Argentina
Rong'e	**JIA**	China
Martin	**KLAM**	France
Inclusive Framework BEPS Associates		
Jeyhun	**ISMAYILOV**	Azerbaijan
Claudia	**PIMENTEL MARTINS DA SILVA**	Brazil
Mari	**KHURTSIDZE**	Georgia
Vinay Kumar	**SINGH**	India
Cora	**O'BRIEN**	Jersey
Sunday	**OKEOWO**	Nigeria
Alpha	**NGOM**	Senegal
Yah Fang	**CHIAM**	Singapore
Nhlanhla	**RADEBE**	South Africa
Richard	**KAPASA**	Zambia
Committee on Fiscal Affairs Bureau Members		
Marty	**ROBINSON**	Australia
Trevor	**MCGOVAN**	Canada
Andrea	**MEDINA ROJAS**	Colombia
Michael	**SKAARUP**	Denmark
Silke	**BRUNS**	Germany
Róbert	**CSABAI**	Hungary
Sinead	**RYAN**	Ireland
Daiho	**FUJII**	Japan
Noor	**SANDERS**	Netherlands
Rebecca	**BURCH**	USA

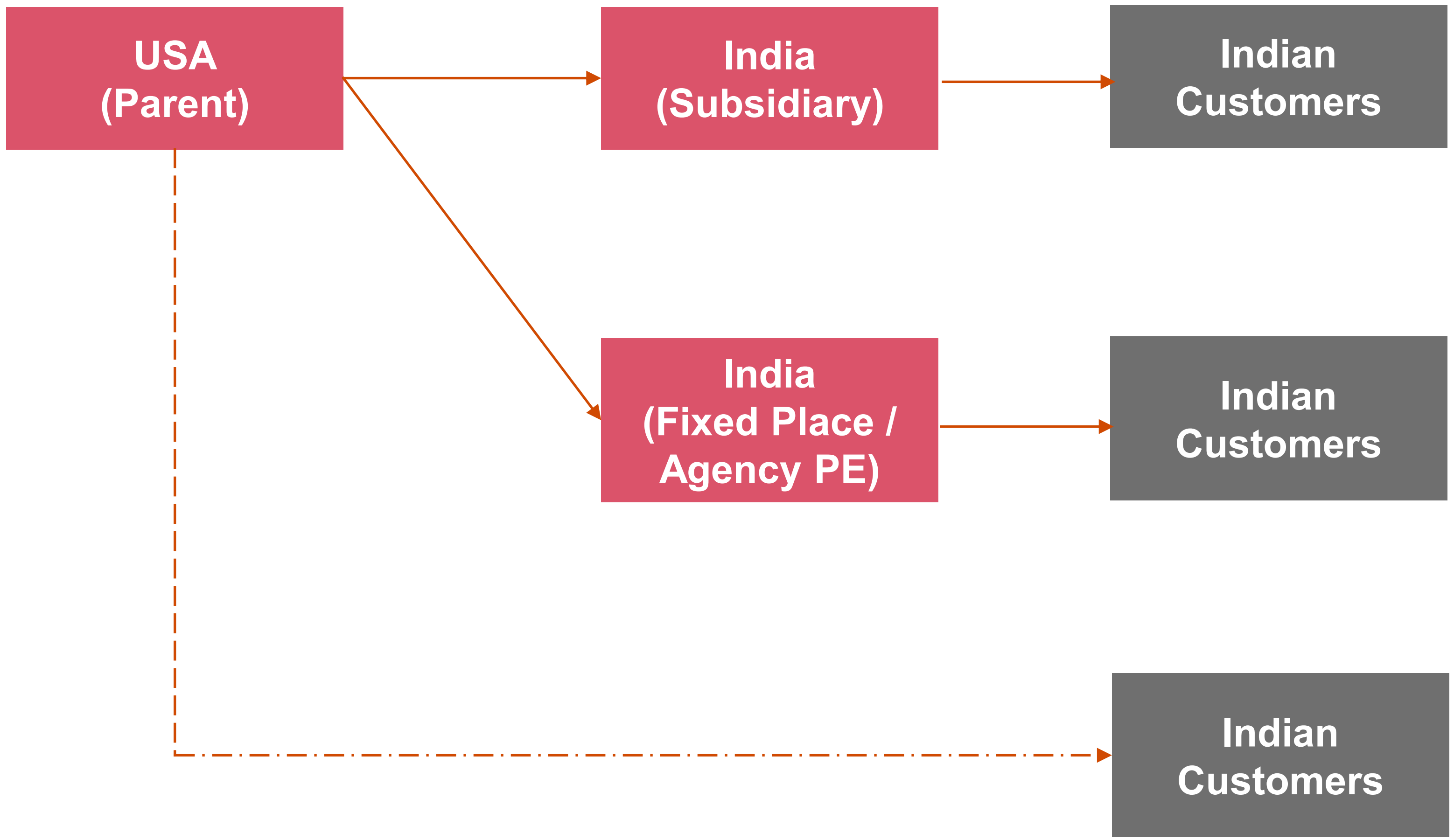
BEPS Action 1-15 Reports

Action 1 DIGITAL ECONOMY	Action 2 HYBRIDS	Action 3 CFC RULES	Action 4 INTEREST DEDUCTIONS	Action 5 HARMFUL TAX PRACTICES
Action 6 TREATY ABUSE	Action 7 PERMANENT ESTABLISHMENT	Action 8 TRANSFER PRICING	Action 9 TRANSFER PRICING	Action 10 TRANSFER PRICING
Action 11 BEPS DATA ANALYSIS	Action 12 AGGRESSIVE TAX PLANNING	Action 13 TRANSFER PRICING DOCUMENTATION	Action 14 DISPUTE RESOLUTION	Action 15 MULTILATERAL INSTRUMENT

01

Pillar One

Pillar One



Tax under current TP / PE attribution Rules	Pillar One
Yes	Yes
Yes	Yes
No	Yes

Jurisdiction	Points
Belgium	9
Canada	6
China (People's Republic of)	94
Denmark	4
France	56
Germany	45
Hong Kong (China)	88
India	15
Ireland	21
Japan	47
Korea	11
Mexico	2
Netherlands	15
Saudi Arabia	2
Spain	15
Switzerland	34
United Kingdom	49
United States	486
Other Jurisdictions	0

Tax Notes

https://www.taxnotes.com › politics-taxation › 2026/02/20

U.S. Treasury Officials Declare Death of OECD Pillar 1

Bloomberg Tax

First Half of OECD Tax Deal is 'Dead,' IDA Ireland Chair Says

Oct. 24, 2025, 6:57 PM GMT+5:30


bhai,ye toh shuru hote hi khatam hogaya


Picture
Abhi baki hain
MERE DOST

Equalisation Levy / Digital Service Tax

Country	Rate
Austria	5%
Canada	3%
Colombia	5%
Denmark	6%
France	3%
Hungary	7.50%
India	6%
India	2%
Israel	3%-5%
Italy	3%
Kenya	1.50%
Kyrgystan	2%
Latvia	3%
Nepal	2%
New Zealand	2-3%
Nigeria	6%

Country	Rate
Pakistan	2%
Paraguay	4.50%
Poland	1.50%
Poland 2	3%
Portugal	1.50%
Sierra Leone	1.50%
Spain	3%
Tanzania	2%
Tunisia	3%
Turkey	5%
Uganda	5%
UK	2%
Uruguay	12%
Vietnam	1.50%
Zimbabwe	5%

*Note: The above is an **illustrative list**. The scope and threshold vary across countries. The list also includes countries that have **proposed or repealed** DSTs.*

Donald J. Trump
@realDonaldTrump

Numerous European Countries have been discussing the imminent implementation of a Digital Services Tax on American Companies. Some of these Countries are close to actually doing this. Please let this statement serve to represent that any Country that imposes such a Tax will immediately be met with a 100% TARIFF on any and all Goods sent to the United States of America. This TARIFF will supersede Trade Deals made with the Country, whether implemented, signed, or not. Additionally, the 100% TARIFF will be immediately imposed, if they proceed. Thank you for your attention to this matter. President DONALD J. TRUMP

G7 Communique – Extract on Taxation of Digital Economy

"As we value international cooperation we encourage and support the Inclusive Framework to ***pursue in-depth work on the taxation of the digital economy****, drawing on lessons learnt from previous work. We look forward to a* ***report by the OECD*** *on the progress of the Inclusive Framework's work by the* ***end of 2026*** *which identifies a shared understanding of any* ***challenges posed to the existing international tax system by the digital economy*** *with a view to enabling Inclusive Framework members to assess how to ensure an effective and durable* ***solution to such challenges****."*

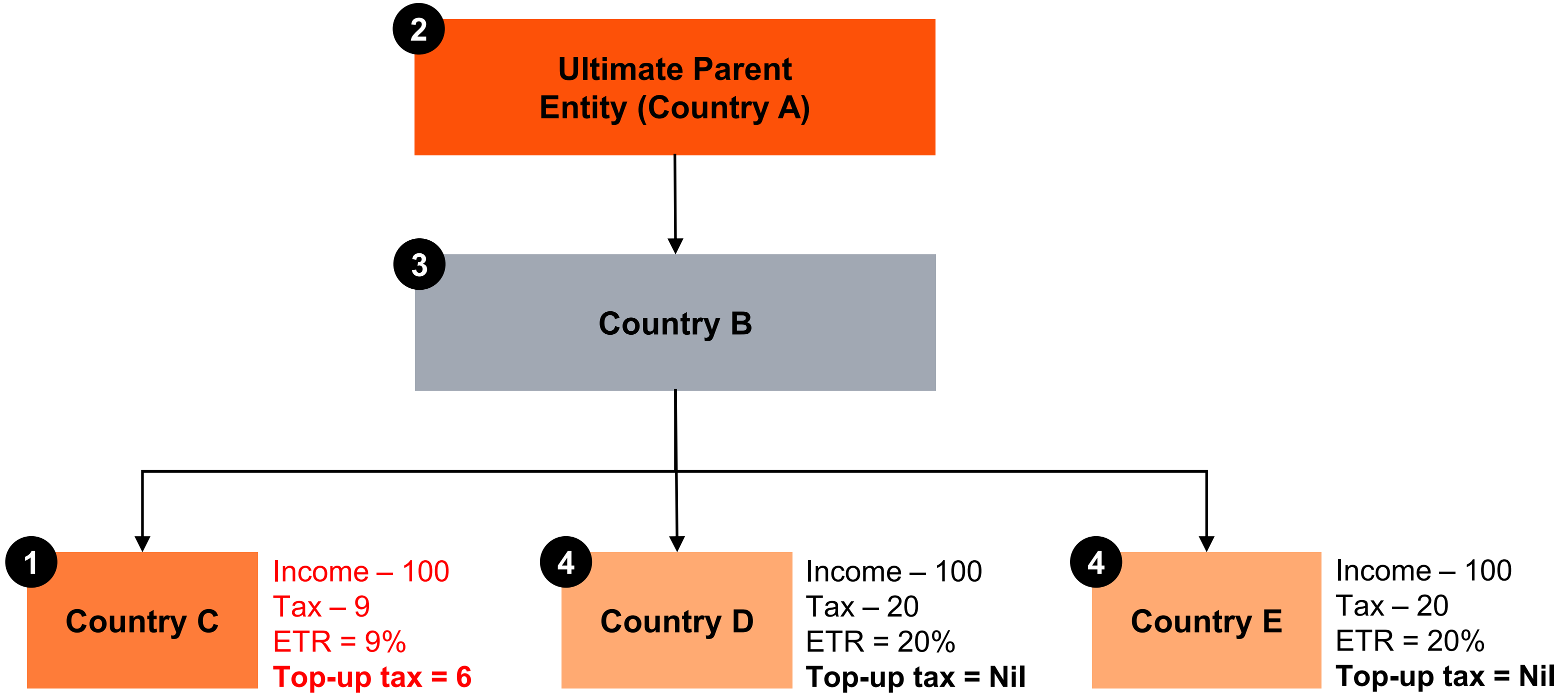
Waiting for certainty on Taxation of Digital Economy

02

Pillar Two

Pillar Two Rule Order

- Applies to MNE groups with global revenue >= **€750 mn***
- Establishes a minimum Effective Tax Rate **(ETR)** of 15% at jurisdictional level



**Revenue test to be satisfied in at least two of the four Fiscal Years immediately preceding the tested Fiscal Year.*

Rule Order

1 Qualified Domestic Minimum Top-up Tax (QDMTT)

If Country C introduces QDMTT

Top-up tax to be paid in Country C

2 Income Inclusion Rule (IIR) by Ultimate Parent

If Country C **doesn't** introduce QDMTT

Top-up tax to be paid in Country A via IIR

3 IIR by Intermediate Parent

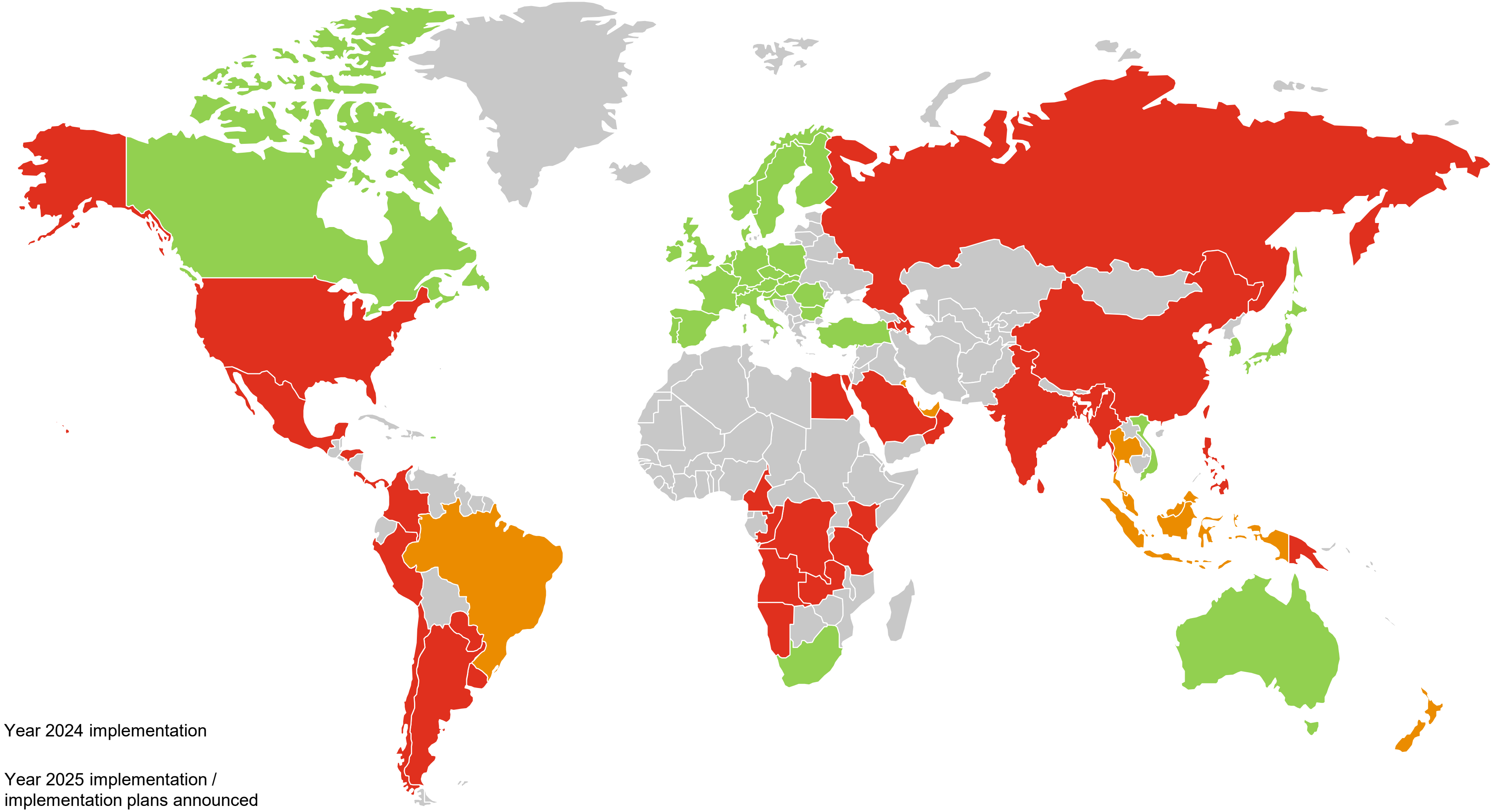
If Country C doesn't introduce QDMTT; Country A doesn't introduce IIR

Top-up tax to be paid in Country B via IIR

4 Undertaxed Profits Rule (UTPR)

If 1, 2 or 3 does not apply: Top up tax to be paid in Country D and Country E under UTPR

Pillar Two Moving Forward



Year 2024 implementation

Year 2025 implementation / implementation plans announced

No announcement yet

The above chart is not an exhaustive listing of countries but an illustrative listing

60+

Countries are in various stages of Pillar Two implementation

Source: PwC's Pillar Two Country Tracker

Effective Tax Rate

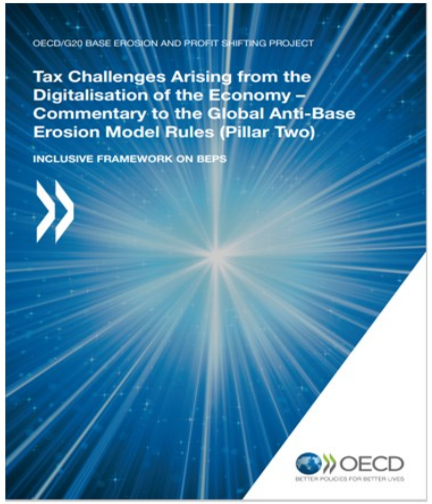
$$\frac{\text{Tax}}{\text{Income}} = \text{ETR}$$

GloBE Rules

Commentary, Guidance and More

GloBE Rules – 70 pages

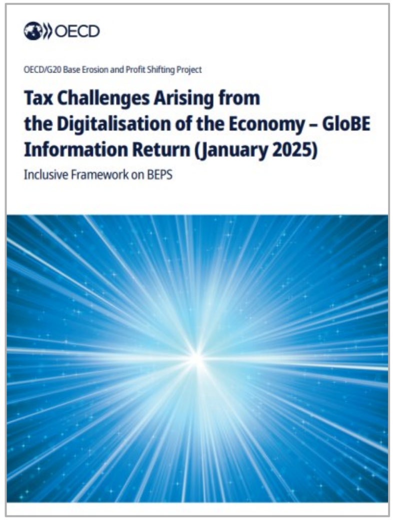
GloBE Rules Consolidated Commentary – 456 pages



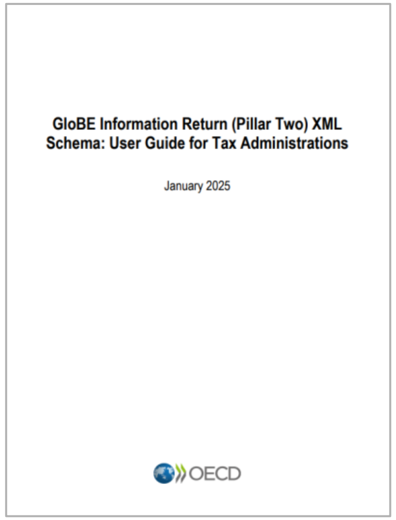
GloBE Rules Illustrative Examples – 112 pages

GloBE Implementation Handbook – 31 pages

GloBE Information Return (GIR) – 100 pages

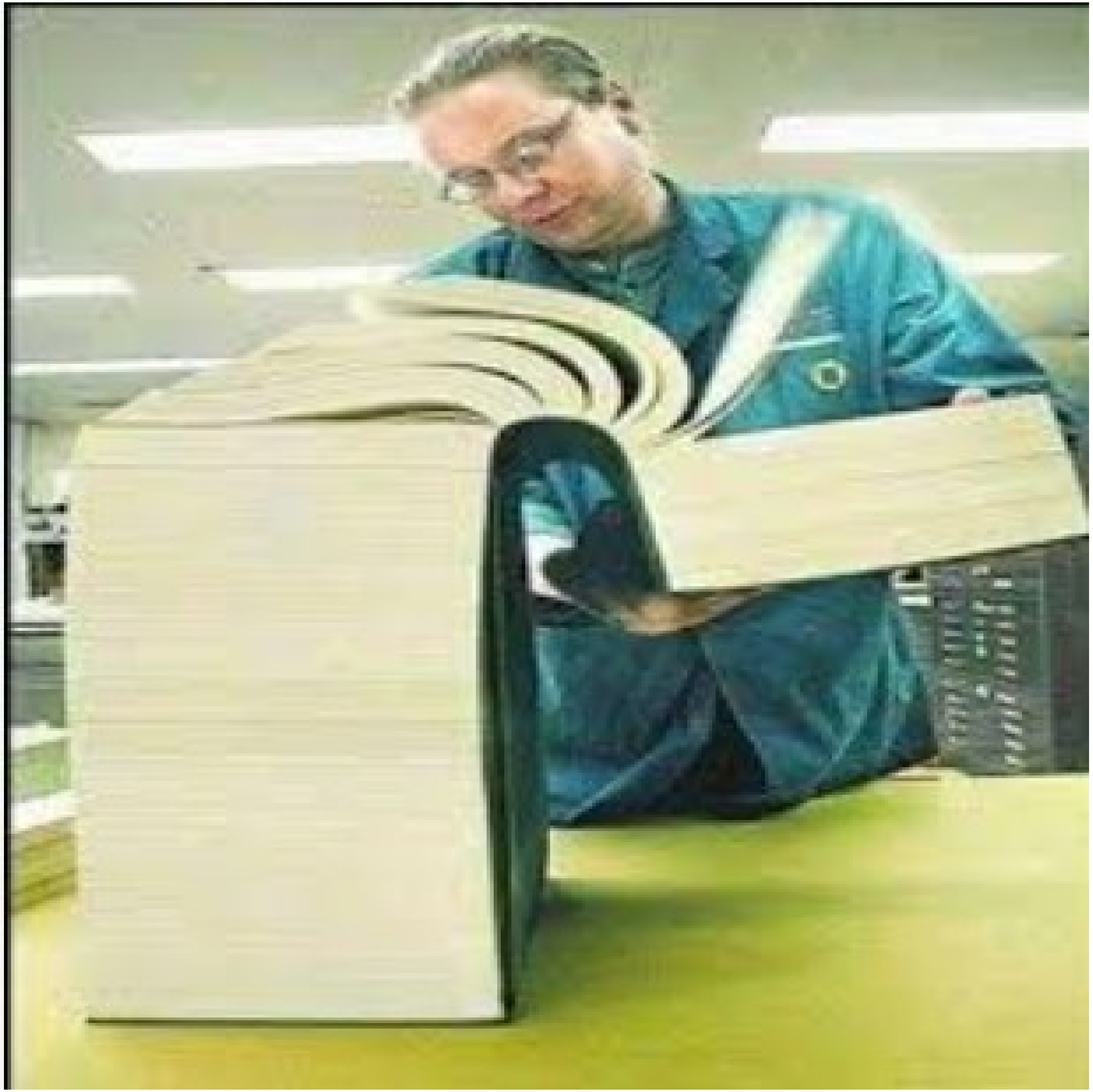


GIR XML Schema – 171 pages



1000+ pages of rules, commentary, guidance documents…

…more to come



Source: https://imgflip.com/memegenerator/23095874/big-book

Hypothetical example

Impact on Group ETR – Case Study 1

Country	Income	Tax	ETR	Pillar Two Top up tax	Total tax including Pillar Two Top up tax	ETR after Pillar Two
Canada	100	20	20%	Nil	20	20%
USA	100	20	20%	Nil	20	20%
Mauritius	100	5	5%	10	15	15%
Total (Group Level)	**300**	**45**	**15%**	**10**	**55**	**18.3%**

Impact on Group ETR – Case Study 2

Particulars	Entity A	Entity B	Entity C	Total
Income (A)	**100**	**60**	**(60)**	**100**
Current tax	20	Nil	Nil	20
Deferred tax assets*	Nil	Nil	Nil*	Nil
Total Tax expense (B)	**20**	Nil	**Nil**	**20**
ETR = B/A				**20%**

**DTA not created as no virtual certainty of profits in the future to offset the losses*

Particulars	Entity A	Entity B	Entity C	Total
Income (A)	**100**	60	**(60)**	**100**
Current tax	20	Nil	Nil	20
Deemed deferred tax assets	Nil	Nil	(9)	(9)
Total Tax expense (B)	**20**	Nil	**(9)**	**11**
ETR = B/A				**11%**

No top-up tax??

The above example assumes that the country failed safe harbour in previous year

Compliance Requirements

1 Globe Information Return (GIR)

- Information about the MNE group, safe harbours and detailed computations.
- To be filed in the parent or designated entity's jurisdiction.
- **Detailed form requiring 400+ data points.**

3 Local Top-up tax Returns

- Annual return to be filed in each country.
- To be filed even if no top-up tax liability
- Each country has its own format, procedure and timelines.

2 GIR Notifications

- Notification to be filed in each country
- Intimation about the country where GIR has been filed.

4 One-time P2 Registrations

- Pillar 2 specific registration number to be obtained for each entity / country.
- Each country has its on own format, procedure and timelines.

For an India based MNE group with presence in 50+ countries

- 1 annual GIR
- 20-40 annual GIR notifications,
- 20-40 one-time P2 registrations
- 20-40 annual top-up tax returns

A **Acceptable / Authorized Financial Accounting Standards** **Adjusted Covered Taxes** **ACTT: Additional Current Top-up Tax**	**B** BEFIT: Business in Europe: Framework for Income Taxation	**C** **Conditional DMTT** **Central Record** CORE: Corporate Resources for Europe Coordinating Entity Certainty Outcome	**D** DEBRA: Debt-equity Bias Reduction Allowance **DMTT: Domestic Minimum Top-up Tax** **DFE: Designated Filing Entity**	**E** **Excluded Entity** **Excess Profit** **ENTE: Excess Negative Expense Carry Forward** **Eligible Distribution Tax System**	**F** **FANIL: Financial Accounting Net Income or Loss** **FXGL: Foreign currency gains or losses** FATAL: Framework on Aggressive Tax Arrangements & Low Rates FASTER: Faster and Safer Tax Relief of Excess Withholding Taxes FAT: Financial Activity Tax
G **GloBE: Global Anti-Base Erosion** **GIR: Globe Information Return** **GloBE Loss Election** **GIR MCAA** **GMT: Global Minimum Tax**	**H** HOT: Head Office Tax System for SMEs	**I** **IIR: Income Inclusion Rules** **Inclusion Ratio** **Investment Entity Tax Transparency Election** **IIR Offset Mechanism**	**J** **Joint Venture Group** Jurisdictional Depreciation & Payroll	**K** **Korea: first country to introduce UTPR**	**L** **LTCE: Low Taxed Constituent Entity** Lead Tax Administration Listed Party
M **MOCE: Minority-Owned Constituent Entity** **MTTC: Marketable Transferable Tax Credits** MAAL: Multinational Anti-Avoidance Law MDSH: Marketing and Distribution Profit Safe Harbour	**N** **Non-Qualified Refundable Tax Credit** **NCTI: Net CFC Tested Income** NOON: No or only nominal tax rate jurisdiction	**O** OECC: Operating Expense Cross Check in Amount B	**P** **POPE: Partially owned parent entity** **Permanent Safe Harbours**	**Q** **QDMTT: Qualified Domestic Minimum Top-up Tax** **QTI: Qualified Tax Incentives** **QRTC: Qualified Refundable Tax Credit**	**R** **Recaptured Deferred Tax Liability** **Recapture Exception Accrual** RODP: Return on Depreciation & Payroll
S **STTR: Subject to Tax Rule** **SBIE: Substance-based Income Exclusions** **SbS: Side-by-side Safe System** **Substance Based Tax Incentive Safe Harbour** SHIELD: Stopping Harmful Inversions and Ending Low Tax Developments	**T** **TUT: Top-up tax** **TCSH: Transitional CbCR Safe Harbour** **TTIR: Top-up Tax Information Return (EU)** **Taxable Distribution Method Election**	**U** **UTPR: Undertaxed Profits Rule** **UTPR Safe Harbour** **UPE Safe Harbour** UNSHELL directive	**V** **Valuation Allowance: treatment in P2**	**W** Withholding Tax Upward Adjustment Withholding Tax Downward Adjustment	**X** **X (50% weight to employees and tangible assets for UTPR)** Article XX: Taxation of services (UN Model Convention)
Y Y% (offset percentage in Amount A safe harbour)	**Z** **Zero (assumed top-up tax if safe harbour met)**				

Knockout

Quarter-finals › Semi-finals