

Action 13

Re-examine transfer pricing documentation

Potential policy change

The Action Plan will consider the rules regarding transfer pricing documentation with a goal to enhance transparency for tax administrations.

Considerations



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Develop rules that require multinational entities to provide all relevant governments with information on their global allocation of income, economic activity and taxes paid among countries via a common template.

Changes to Transfer Pricing Guidelines and Recommendations regarding the design of domestic rules.

Objectives are:

- Opportunity for briefer, better-focused information that will assist both tax authorities and taxpayers.
- Enhance tax authorities ability to assess risk.
- Consideration of compliance costs for business.
- Information to form part of any risk assessment process, but cannot, on its own, be determinative that there is a loss of tax.

