

# International Tax Design for the 21<sup>st</sup> Century

A new era of international tax design began with the G20/OECD Base Erosion and Profit Shifting (BEPS) project in 2013. The **BEPS project** initiated a **15-point Action Plan** to update century-old international tax rules to ensure effective taxation in the global digital economy.

This Policy Brief series explains in accessible language the 15 BEPS Actions and the global response to them over the last decade, identifies the impact, limitations and challenges for these reforms and looks forward to next steps in international tax design.

The Policy Brief series was launched at a webinar on **Evaluating BEPS and Looking to the Future**, 2-3 December 2021.

The 15-point BEPS Actions Plan aimed to update tax systems for the global digital economy (Action 1); improve cohesion in international tax rules (Action 2 to 5); restore substance (Actions 6 to 10); improve transparency and administration (Actions 11 to 14); and implement these changes in a new multilateral tax treaty (Action 15). It has generated a significant policy, law reform and administrative response from G20 and OECD countries, and has been adopted, to varying degrees, by an increasing number of countries around the world.

In 2021, the Inclusive Framework on BEPS agreed a **Two-Pillar** approach to taxing large multinational enterprises. Pillar One aims to establish a new taxing right for market jurisdictions of the largest and most profitable multinational enterprises. Pillar Two aims to coordinate reforms in participating countries for a minimum global effective tax of 15% on multinational enterprises.

## **Evaluating BEPS and Looking to the Future**

### **Policy Briefs**

Policy Brief 1/2021: **Reforming GST for a Global Digital Economy**

Policy Brief 2/2021: **Hybrid Mismatches**

Policy Brief 3/2021: **Controlled Foreign Companies**

Policy Brief 4/2021: **Limitations on Interest Deductions**

Policy Brief 5/2021: **Harmful Tax Practices**

Policy Brief 6/2021: **Preventing Tax Treaty Abuse** (*will be available shortly*)

Policy Brief 7/2021: **Permanent Establishment Status**

Policy Brief 8/2021: **Transfer Pricing** (*will be available shortly*)

Policy Brief 9/2021: **Country-by-Country Reporting**

Policy Brief 10/2021: **Mandatory Disclosure Rules** (*will be available shortly*)

Policy Brief 11/2021: **Mutual Agreement Procedure**

Policy Brief 12/2021: **Dispute Resolution: Arbitration** (*will be available shortly*)

Policy Brief 13/2021: **Multilateral Instrument**

Policy Brief 14/2021: **Global Forum**

Policy Brief 15/2021: **Measuring and Monitoring BEPS**

Policy Brief 16/2021: **Inclusive Framework Pillar One** (*will be available shortly*)

Policy Brief 17/2021: **Inclusive Framework Pillar Two** (*will be available shortly*)