

## Minutes

### TALC Sub-committee 'BEPS Implementation' Meeting

Date 26 March 2019

Location & Time Conference Room 1, Blocks 8-10, Dublin Castle 10.00 am

#### Introduction

Minutes of meeting of 24 October 2018 were approved by all attendees.

#### **Item 1: Overview of CT Roadmap**

- Revenue stipulated that there a number of substantive issues in relation to the CT roadmap are to be discussed this year:
  - CFC legislation  
The CFC draft guidance material has been circulated to practitioners and will be discussed at follow-up meetings with a view to finalisation at the end of June.
  - GAAR  
It is acknowledged that the current legislation is adequate.
  - MLI  
RLS Business Taxes Division with liaise with RLS International Division in relation to the MLI being added to the agenda for the next meeting.
  - Exit Tax  
The Exit Tax draft guidance material has been circulated to practitioners and will be discussed at follow-up meetings with a view to finalisation at end of June.
  - Hybrids/Interest Limitation  
There will be a sub-committee meeting dedicated to hybrids and interest.
  - Transfer Pricing Rules  
There will be a general discussion in relation to TP rules.
  - Territoriality  
This item is not a priority.
  - DAC 6  
This item may be discussed if necessary at a sub-committee meeting with disputes resolution.
  - IMA Bill  
This item does not require discussion at this point in time.

#### **Item 2: CFC and Exit Tax Guidance**

- Revenue will consider practitioners' viewpoints at further meetings in relation to the draft guidance.

#### **Item 3: Hybrids/Interest**

- The legislation to be drafted in relation to hybrids/interest is very complex. Revenue is committed to ensuring that legislation is drafted and interpreted fairly with a particular focus on the intention of the policy requirements. Department of Finance stipulated that it is important to take account of what is feasible to achieve this year. Practitioners expressed concern about the timeline given the complexity of the task.

**Item 4: DAC6**

- Revenue is currently working through various submissions received including recent submissions from the funds industry. Some of the requests, such as the possibility of including a de minimis value assigned to transactions, are not provided for in the DAC6. Therefore, Revenue is limited in what can be included in the legislation. There is no intention to go beyond the scope of the Directive (one or two gaps in the Directive will need to be addressed). The Directive will be transposed and the principles as laid out will be adopted. Ireland is one of the few EU Member States that already has a domestic mandatory disclosure regime with which practitioners and officials will be very familiar. The EU Directive's principles are broadly similar to those of the domestic regime. Guidance will be discussed in the first quarter of 2020 and will be extensive to ensure that stakeholders requirements are met. The proposed legislative provisions will be separate to that of the domestic regime and will be the subject of scrutiny by the EU to ensure that the Directive has been transposed correctly.
- Practitioners expressed concern in relation to a number of issues and Revenue gave assurance that the issues raised in submissions will be taken on board when drafting guidance.
- Practitioners also raised the importance of providing information in relation to the practical reporting arrangements so that complications surrounding filing dates can be addressed. Revenue stated that it is expected that the schema will be finalised by the EU by the end of June.

**Attendees of meeting of 26 March 2019**

**CCAB – I:** Enda Faughnan, Bríd Heffernan, Angela Fleming

**Revenue:** Gerry Howard, Caitriona Crowley, Michael Buckley, Alan Carey, Maresa Hempenstall, Paul Walsh, Áine Hollingsworth, Ashling Gallagher, Audrey Bridgeman

**Law Society:** Caroline Devlin, Andrew Quinn, Aidan Fahy

**BPFI:** Ali Ugur

**ITI:** David Fennell, Sharon Burke, Anne Gunnell, Stephen Ruane, Tom Maguire

**DoF:** Deirdre Donaghy