

# Response to final OECD BEPS tome

October 30 2015 | Contributed by **Caplin & Drysdale, Chartered**

The Organisation for Economic Cooperation and Development (OECD) has issued a comprehensive and integrated set of measures to attack base erosion and profit shifting (BEPS) on a global basis. Comprising 15 actions on central issues – including transfer pricing, country-by-country reporting and transfer pricing documentation, treaty abuse, preferential tax regimes, permanent establishments, hybrid arrangements, cross-border dispute resolution and implementation – this massive undertaking has achieved consensus among all OECD and G20 countries on most major issues. Developing countries and other international and regional tax organisations also participated actively in the process.

According to the final report's foreword, "The BEPS package of measures represents the first substantial renovation of the international tax rules in almost a century". However one characterises the outcome – and there will be many different views – the product cannot be ignored and will have significant effects on the planning and operation of international businesses. Some aspects will fall into place more quickly than others.

On the transfer pricing front, for example, it is understood that the Internal Revenue Service intends to comply with the BEPS directive to disclose to affected treaty partners any US unilateral advance pricing agreements issued on or after January 1 2010, and in effect on or after January 1 2014. However, many of the report's conclusions and recommendations will require changes to domestic laws or renegotiation of existing treaties. In the latter regard, a multilateral instrument is in the works to help accelerate the process and maximise uniformity.

It will take businesses and practitioners time to digest and evaluate the final BEPS tome, which amounts to some 1,600 pages. The OECD has helpfully published a compilation of the executive summaries from the 15 final reports, which is an excellent starting point for identifying aspects of particular interest ([www.oecd.org/ctp/beps-reports-2015-executive-summaries.pdf](http://www.oecd.org/ctp/beps-reports-2015-executive-summaries.pdf)).

*For further information on this topic please contact [Peter A Barnes](#), [Patricia G Lewis](#), [J Clark Armitage](#) or [H David Rosenbloom](#) at Caplin & Drysdale by telephone (+1 202 862 5000) or email ([pbarnes@capdale.com](mailto:pbarnes@capdale.com), [plewis@capdale.com](mailto:plewis@capdale.com), [carmitage@capdale.com](mailto:carmitage@capdale.com) or [drosenbloom@capdale.com](mailto:drosenbloom@capdale.com)).*

The materials contained on this website are for general information purposes only and are subject to the [disclaimer](#).

## AUTHORS

**Peter A Barnes**



**Patricia G Lewis**



**J Clark Armitage**



**H David Rosenbloom**

