

## Worldwide Tax Daily Quotes Peter Barnes: Countries Aren't Waiting on OECD to Implement BEPS

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### *Worldwide Tax Daily*

*Worldwide Tax Daily* quoted Peter A. Barnes concerning recent arguments on country-by-country (CbC) reporting under the OECD's BEPS project. For the complete article, please visit *Worldwide Tax Daily's* website (subscription required).

*Excerpt taken from the article "Countries Aren't Waiting on OECD to Implement BEPS" by Margaret Burow for Worldwide Tax Daily.*

### **Country-by-Country Reporting Burden**

Taxpayers should acknowledge that "BEPS is here to stay" and will continue to play a significant role in how companies prepare and provide data, an area in which they already believe they spend a lot of time and resources, said Barber.

There has also been a shift in the arguments surrounding the need for CbC reporting -- from being able to monitor taxes paid by companies to holding governments accountable for the spending of tax revenues collected, said Peter Barnes of Caplin & Drysdale.

Countries are looking to more broadly evaluate a company's value chain to determine how and where profits are derived, said Barnes. If a company has a lot of people in a location, that may function as a hook by which a country can say it's entitled to a greater allocation of profits because the entity in that country is acting as more than just a distributor, contractor, or call center, he said.

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Barnes said that while the need for countries to perform risk assessments is understandable, given the limited resources, it doesn't make sense for authorities to spend six months or more evaluating risk. He advised countries to quickly move past the acknowledgment of risk. If the criterion is that a multinational company is considered risky by virtue of operating in a number of countries, that is something the company could stipulate at the beginning of the assessment so that time is spent on evaluating how the company mitigated that risk and ensures compliance, Barnes said

### **Attorneys**

Peter A. Barnes

### **Related Practices/Industries**

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