



TAX CHALLENGES & OPPORTUNITIES ARISING FROM DIGITALISATION VIRTUAL WORKSHOP

OECD – Korea MTC – Turkey MTC

21, 22 & 23, June 2022

Objectives: This virtual workshop will provide an overview of Pillar One and Pillar Two focusing on some of their key building blocks. It will also include sessions on VAT on digital services and the digitalisation of tax administration.

Target audience: The workshop will be especially useful for tax officials who work on aspects related to international taxation or that are, or will be, involved in the implementation of the Two-Pillar Solution.

Format: The workshop will be led by experts from Inclusive Framework member countries and observer organisations with support from OECD country experts.

The facilitators will provide lectures and, participants are expected to answer some questions through the polling system on Zoom and they are welcome to raise questions through the chat function in Zoom or discuss different perspectives during sessions specifically intended for questions and answers (Q&A sessions).

We strongly recommend that participants with more limited knowledge of the Two-Pillar Solution watch the following recorded webinars “[Background of the Two-Pillar Solution](#)”, “[Overview of Pillar One Building Blocks](#)”, and “[Overview of Pillar Two - Focus on the Global Anti-Base Erosion \(GloBE\) Rules](#)”. These recorded webinars are available in the e-learning section of the KSPTA. If you do not have a KSP account, please register using your work email address [here](#) (more information in the Annex).

The presentations will be delivered in **English**.

Materials will be available in **English**.

Schedule: The seminar will be conducted virtually on 21, 22 & 23 June 2022 from 8:00 to 11:00 hrs. Paris time. A detailed schedule of the topics to be covered each day is included below.

TAX CHALLENGES & OPPORTUNITIES ARISING FROM DIGITALISATION
VIRTUAL WORKSHOP

OECD's Multilateral Tax Centres in Korea and Turkey

21, 22 & 23, June 2022

Experts:

Ms. Katrina Bond (ATO)
Ms. Melinda Brown (OECD Secretariat)
Ms. Melani Dewi Astuti (DGT)
Mr. Thomas Ecker (OECD Secretariat)
Mr. Vegard Holmedahl (OECD Secretariat)
Ms. Victoria Perez de la Cruz Oña (Spain)
Mr. Bruno da Silva (ADB)

Day 1 8:00 -11:00, Paris time	Session
Tuesday, 21 June	
8:00 - 8:05 (5 min.)	Welcome Remarks by Mr. Koji ONO and Ms. Melinda BROWN
8:05 – 8:10 (5 min.)	Opening remarks & housekeeping rules [OECD]
8:10 – 8:40 (30 min.)	Session A: Overview of Pillar One
8:40 – 8:50 (10 min.)	Q&A session
8:50 – 9:00 (10 min.)	BREAK
9:00 – 9:45 (45 min.)	<p>Session B: Essential aspects of the Draft Model Rules for Nexus and Revenue Sourcing</p> <p>Nexus and Revenue Sourcing are two of the thirteen building blocks that comprise Amount A. The rules on Nexus determine which jurisdictions will be entitled to tax Amount A and the rules on Revenue Sourcing determine the market jurisdictions from which revenue is derived for the purposes of Amount A. A draft of the rules was issued for public consultation in February 2022.</p> <p>During this session we will outline the proposed operation of the Nexus and Revenue Sourcing rules. This will include an overview of the different categories of revenue used for the purposes of revenue sourcing and how the rules are expected to apply in each case. We will also examine some of the practical challenges raised during the public consultation.</p>
9:45 – 9:55	Q&A session
9:55- 10:00	BREAK

10:00 – 10:45 (45 min.)	Session B (continued): Essential aspects of the Draft Model Rules for Nexus and Revenue Sourcing
10:45 – 10:55	Q&A session
10:55 – 11:00	Conclusions and closing remarks

Day 2 8:00 -11:00, Paris time	Session
Wednesday, 22 June	
	<p>Session D: The GloBE Rules</p> <p>The Anti Global Base Erosion or “GloBE” Rules are part of the Two-Pillar Solution to address the tax challenges of the digitalisation of the economy. The GloBE Rules provide a co-ordinated system to ensure that Multinational Enterprises with revenues above EUR 750 million pay at least a minimum level of tax on the income arising in each of the jurisdictions in which they operate.</p> <p>This session will cover the five key steps that an MNE might go through in order to determine its liability under the GloBE Model Rules: starting with whether the MNE is within scope of the rules; working through the mechanics of a jurisdictional ETR calculation in order to determine the amount of any top-up tax that may be due; and finally to determine the jurisdiction where such tax is payable.</p> <p>By the end of the session, participants will have a high-level understanding of how the GloBE Rules operate.</p>
8:00-8:10 (10 mins)	Introduction
8:10-8:30 (20 mins)	Step 1 - Scope
8:30- 8:55 (25 mins)	Step 2 – GloBE Income or Loss
8:55-9:05 (10 mins)	BREAK
9:05-9:30 (25 mins)	Step 3 – Adjusted Covered Taxes
9:30-10:00 (30 mins)	Step 4- ETR and Top-up Tax
10:00-10:10 (10 mins)	BREAK
10:10-10:50 (40 mins)	Step 5- IIR and UTPR
10:50-11:00 (10 mins)	Conclusions and closing remarks

Day 3 8:00 -11:00, Paris time	Session
Thursday, 23 June	
8:00 – 8:45 (45 min.)	<p>Session E: VAT on international digital trade</p> <p>Value added tax (VAT) is a major revenue source for most jurisdictions globally. Safeguarding these crucially important VAT revenues in economies that are being transformed by digitalisation and globalisation is a priority for many governments. The challenges to collect VAT on the continuously growing e-commerce sales create increasingly important pressures for VAT regimes</p>

	<p>worldwide. These challenges relate to VAT collection on the booming sales of online services and digital products to private consumers (“apps”, streaming, gaming, etc.) and on online sales of low-value imported goods, often by foreign merchants. VAT is often not levied effectively on these sales under existing rules.</p> <p>In response, the OECD has delivered a comprehensive internationally agreed policy framework for addressing the VAT challenges of the digital economy, reflecting a broad consensus on effective and efficient solutions among tax authorities worldwide. This session will discuss the core recommendations of the policy framework for the application of VAT to digital trade.</p>
8:45 – 8:55 (10 min.)	Evaluation Survey
8:55 – 9:05 (10 min.)	BREAK
9:05 – 9:50 (45 min.)	Session E (continued): VAT on international digital trade
9:50 – 10:00 (10 min.)	BREAK
10:00 – 10:45 (45 min.)	<p>Session F: [Digitalisation of Tax Administration]</p> <p>The Forum on Tax Administration has published a vision of digitally transformed tax administrations called Tax Administration 3.0, and is currently following up this vision with actions that seek to support tax administrations globally in their process of digitalisation and digital transformation.</p> <p>This presentation will introduce the participants to the TA 3.0 vision and Action Plan, focusing on how the initiatives from FTA can support and enable developing country tax administrations in their digitalisation journeys.</p>
10:45 – 10:55 (10 min.)	Q&A session
10:55 – 11:00 (5 min.)	Conclusions and closing remarks

Note: The topics listed are the topics proposed to be covered each day. The time allocated to each topic, as well as the timing of breaks, may vary.

ANNEX 1: KSP REGISTRATION

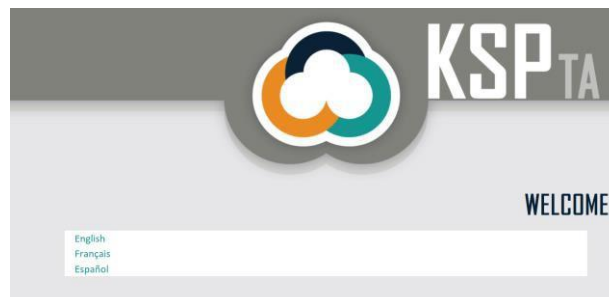
Follow the 6 steps below to register for the KSP_{TA}:

1. Go to www.ksp-ta.org



3. Click “Don’t have an account? Click here to register”

2. Select the language of your choice



4. Complete all fields of the online form. Remember to register with your work email. In the field country/organization, select your own country.

5. Once you have filled and sent your registration form, you will receive an email to **confirm your email address**. Click to confirm. If you have not received it, check your **spam folder**. If you have not received it, contact info@ksp-ta.org
6. After you will receive another email to **create your password**. Click to create your password.

You can now access the KSPTA.