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Action Plan to help nations align their corporate tax policies. This week, the OECD will present the plan to the G20 finance ministers in Lima, Peru.

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One-quarter of corporate tax and transfer pricing directors surveyed say their companies will fail to meet the first deadline proposed by the Organisation for Economic

Co-operation and Development (OECD) in its Base Erosion and Profit Shifting (BEPS) Action Plan.

Finance ministers for the G20 countries called on the OECD to develop the BEPS Action Plan to help nations align their corporate tax policies. This week, the OECD will present the plan to the G20 finance ministers in Lima, Peru.

Its impact already is reverberating. Several countries — including the UK, Australia, Spain, Mexico, the Netherlands, Poland, South Korea, Singapore and China — have proposed new corporate tax and transfer pricing rules broadly reflecting the tenets of the BEPS Action Plan even before it is officially delivered.

The Thomson Reuters survey found that European companies are more intensely focused on BEPS planning than their peers around the world. The majority of respondents (59%) from European-based companies said they are proactively preparing for BEPS, compared with 48% of companies in the Americas and Asia Pacific.

Additionally, 47% of European respondents said they spend between 2 to 15 hours per week on BEPS activity, compared with 26% for the Americas and Asia Pacific.

This regional disparity may be due to the higher degree of BEPS-related activity taking place in Europe compared with the US, where there has been little legislative

discussion of the OECD's recommendations.

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“While many multinationals corporations are diligently preparing for BEPS, some are constrained by limited resources, and others are adopting a potentially dangerous wait-and-see approach,” said Brian Peccarelli, president of the Tax & Accounting business of Thomson Reuters. “With the first deadline just over 24 months away, MNCs need to be resolute in their strategy if they are going to be fully compliant by 2017.”

Most respondents said transfer pricing requirements, specifically documentation and country-by-country reporting, are their greatest concern among all BEPS actions. Globally, 74% said they will complete their country-by-country analysis by the first due date, December 31, 2017.

Additionally, two-thirds of respondents reported that their IT systems do not integrate with their transfer pricing policies, an issue that could leave them exposed and will need to be addressed in the post-BEPS landscape. Furthermore, half of respondents said their companies do not have a central database of important intercompany agreements and tax rulings required to comply with the new transfer pricing documentation requirements.

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