

MEMO# 28676

January 16, 2015

ICI Global Comment Letter on OECD BEPS Action 14 Dispute Resolution Paper

[28676]

January 16, 2015

TO: TAX MEMBERS No. 3-15

ADVISER DISTRIBUTOR TAX ISSUES TASK FORCE No. 4-15

ICI GLOBAL MEMBERS No. 3-15

INTERNATIONAL MEMBERS No. 3-15 RE: ICI GLOBAL COMMENT LETTER ON OECD BEPS
ACTION 14 DISPUTE RESOLUTION PAPER

The attached ICI Global comment letter responds to the discussion draft document that was released on 18 December by the Organisation for Economic Co-operation and Development (OECD) entitled “BEPS Action 14: Make Dispute Resolution Mechanisms More Effective.” [\[1\]](#) The letter begins by noting our strong support for the OECD’s effort to make dispute resolution mechanisms more effective. Accelerating globalization, increasingly aggressive assertions of tax liability by certain governments, and the increasing difficulties (including extensive delays) in resolving tax disputes are among the factors necessitating the extensive work required on this issue.

The letter then emphasizes that, for BEPS Action 14 to truly succeed, the final Report must call upon all governments to adopt mandatory binding arbitration for resolving tax disputes. The other currently available dispute resolution mechanisms (as enhanced by the options included in the discussion draft) will be even more effective if all parties know that mandatory binding arbitration always is available as a last resort for resolving issues. Importantly, governments and business both will benefit greatly from dispute resolution efficiencies – including those arising from mandatory binding arbitration.

Keith Lawson
Senior Counsel - Tax Law

[Attachment](#)

endnotes

[1] The OECD's BEPS 14 discussion draft is available at:
<http://www.oecd.org/ctp/dispute/discussion-draft-action-14-make-dispute-resolution-mechanisms-more-effective.pdf>.

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.