

**MEMO# 28620**

December 23, 2014

## **7 January 2015 Calls to Discuss Three OECD Tax Action Items**

[28620]

December 23, 2014

TO: TAX COMMITTEE No. 43-14  
ICI GLOBAL TAX COMMITTEE No. 23-14  
INTERNATIONAL COMMITTEE No. 44-14  
ICI GLOBAL RETIREMENT SAVINGS COMMITTEE  
ADVISER DISTRIBUTOR TAX ISSUES TASK FORCE No. 18-14 RE: 7 JANUARY 2015 CALLS TO DISCUSS THREE OECD TAX ACTION ITEMS

Conference calls will be held on Wednesday, 7 January to discuss comments on three Organisation for Economic Co-operation and Development (OECD) tax-related papers. The three discussion drafts were released, pursuant to the OECD's Base Erosion and Profit Shifting (BEPS) initiative, [\[1\]](#) on 31 October, 21 November, and 18 December. Comments on the first two papers are due by 9 January 2015. Comments on the third paper are due by 16 January 2015. Public consultations on all three discussion drafts will be held on 21-23 January 2015.

### **The BEPS Discussion Drafts**

The first discussion draft is entitled "BEPS Action 7: Preventing the Artificial Avoidance of PE Status." [\[2\]](#) This discussion draft identifies several proposals under consideration for expanding the circumstances in which a country could assert that a company has a "permanent establishment" or "PE." A company with a PE in another country can be subject to substantial additional tax obligations and liabilities. A draft of ICI Global's comments on this issue will be circulated shortly.

The second discussion draft is entitled "Follow Up Work on BEPS Action 6: Preventing Treaty Abuse." [\[3\]](#) This discussion draft requests additional input on several issues that were included in the BEPS Action 6 Report that was delivered to the G20 Finance Ministers in September 2014 (the "2014 Deliverable"). [\[4\]](#) The 2014 Deliverable adopted comments that we submitted in April [\[5\]](#) supporting inclusion in the BEPS Action 6 Report of the recommendations made by the OECD in 2010 (the "2010 Report") regarding treaty eligibility for widely-held collective investment vehicles (CIVs). [\[6\]](#) A draft of ICI Global's comments on this BEPS discussion draft was circulated on 11 December. [\[7\]](#)

The third discussion draft is entitled “BEPS Action 14: Make Dispute Resolution Mechanisms More Effective.” [8] This discussion draft perhaps is most notable for not proposing that cross-border tax disputes be subject to mandatory arbitration. ICI Global is considering comments for submission on this issue.

## Call Information

The first call, for ICI Global members only, will be held at 10:00 a.m. (Washington DC time) on Wednesday, 7 January. The second call, for ICI members, will be held that day at 2:00 p.m. (Washington DC time). Any ICI Global member who cannot join the 10:00 call is welcome during the 2:00 call. The call-in numbers for both calls are 800-857-2255 (toll-free number within the US) and 1-630-395-0073 (toll number). The passcode for both calls is 63255.

Ezella Wynn will send Outlook calendar invitations for these call. If you would like to participate, please simply accept the invitation(s). You also may contact Ms. Wynn directly by e-mail ([ewynn@ici.org](mailto:ewynn@ici.org)) if you do not receive an Outlook invitation.

Keith Lawson  
Senior Counsel - Tax Law

### endnotes

[1] <http://www.oecd.org/tax/beps-about.htm>

[2] The OECD’s BEPS 7 discussion draft is available at:  
<http://www.oecd.org/ctp/treaties/action-7-pe-status-public-discussion-draft.pdf>.

[3] The OECD’s BEPS 6 discussion draft is available at:  
<http://www.oecd.org/ctp/treaties/discussion-draft-action-6-follow-up-prevent-treaty-abuse.pdf>.

[4] The OECD’s 2014 Deliverable on BEPS Action 6 is available at:  
<http://www.oecd.org/ctp/beps-2014-deliverables.htm>. See also, ICI Memorandum #28375, dated 17 September 2014 (available at: [http://www.ici.org/my\\_ici/memorandum/memo28375](http://www.ici.org/my_ici/memorandum/memo28375)).

[5] ICI Memorandum #28024, dated 9 August 2014 (available at:  
[http://www.ici.org/my\\_ici/memorandum/memo28024](http://www.ici.org/my_ici/memorandum/memo28024)).

[6] The OECD’s 2010 Report is available at: [www.oecd.org/tax/treaties/45359261.pdf](http://www.oecd.org/tax/treaties/45359261.pdf). See also, ICI Memorandum #23186, 15 January 2009 (available at:  
[http://www.ici.org/policy/tax/foreign\\_tax/memo23186](http://www.ici.org/policy/tax/foreign_tax/memo23186)).

[7] ICI Memorandum #28570, dated December 11, 2014 (available at:  
[http://www.ici.org/my\\_ici/memorandum/memo28570](http://www.ici.org/my_ici/memorandum/memo28570)).

[8] 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>

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