

MEMO# 31915

August 21, 2019

For Your Review - Draft Submission to OECD on Pillar 2 and Funds

[31915]

August 21, 2019 TO: ICI Global Tax Committee
Management Company Tax Subcommittee

Tax Committee RE: For Your Review - Draft Submission to OECD on Pillar 2 and Funds

The OECD, as you know,^[1] is considering proposals to address “tax challenges” arising from the “digitalizing” economy. While these proposals have the greatest potential to impact asset managers, there are aspects of the OECD’s Pillar 2 “GloBE” proposal that are sufficiently undefined that the treatment of funds could be called into question.

The attached draft submission for your review requests an express carve-out from Pillar 2 for collective investment vehicles (CIVs). The letter identifies a few ambiguities/areas for “exploration” that might be problematic and explains why CIVs do not present the concerns targeted by Pillar 2.

Please provide any comments on the draft submission to me (at lawson@ici.org or 202-326-5832) at your earliest convenience and no later than Tuesday August 27. Also, please feel free to call Katie Sunderland (at 202-326-5826) or me if you would like to discuss any other aspect of the OECD initiative.

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Deputy General Counsel - Tax Law

[Attachment](#)

endnotes

^[1] See Institute [Memorandum No. 31808](#), dated June 14, 2019.

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