

BEPS VS investment climate

Belgium

Different initiatives

- ▶ G20/OECD: BEPS action plan
 - Joint actions
 - Unilateral actions

- ▶ EU-BEPS
 - Existing rules
 - “Transparency”
 - Other initiatives

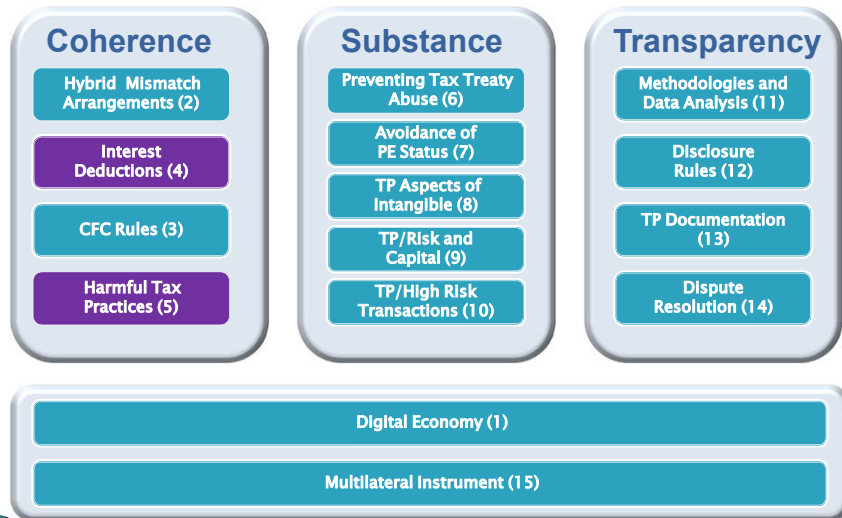
Investment climate

- ▶ Certainty
- ▶ Competitiveness
- ▶ No double taxation
- ▶ [Sales potential]
- ▶ Central location
- ▶ Qualified staff
- ▶ ...

Impact BEPS and EU-BEPS

- ▶ At this moment
 - Uncertainty
 - Are we losing competitiveness?
 - Within EU
 - Worldwide
 - Fear for double taxation
 - Unilateral measures
 - “abuse” of transparency
 - Not enough arbitration

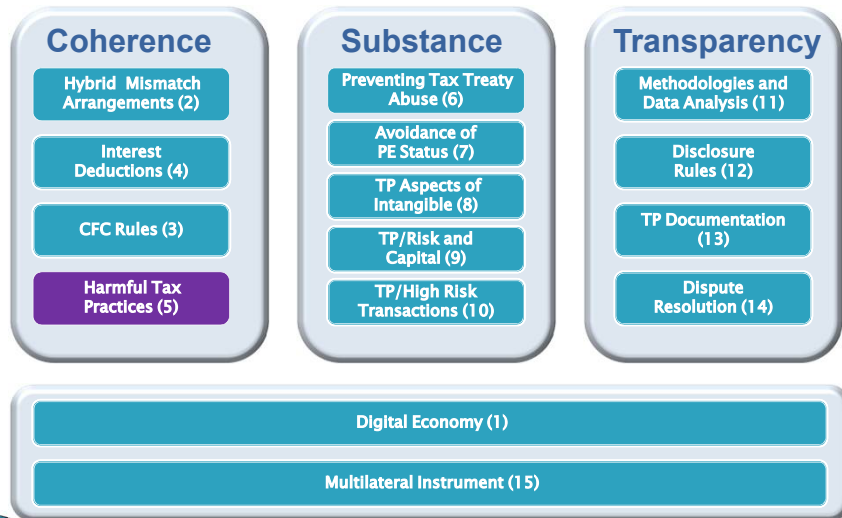
BEPS action plan



Uncertainty

- ▶ Actions 4 and 5
 - PID?
 - Notional interest deduction?
 - Interest deductions?
- ▶ EU-BEPS
 - Tax rulings and state aid

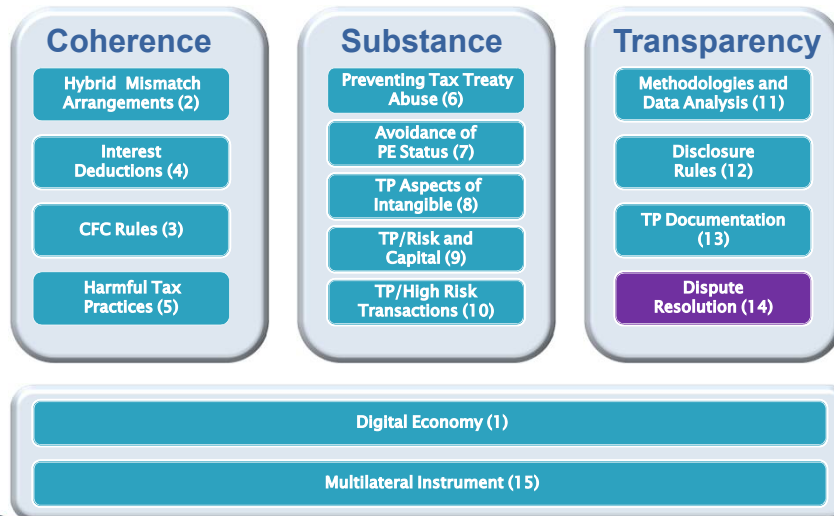
BEPS action plan



competitiveness

- ▶ Action 5
 - PID?
 - Notional interest deduction?
- ▶ EU-BEPS
 - Tax rulings

BEPS action plan



Double taxation

- ▶ General view that the number of cases of double taxation will increase significantly
 - Different interpretations
 - Unilateral measures
 - Abuse of transparency measures
- ▶ Positive impact for countries
 - Applying the general principles
 - Willing to adopt arbitration?

Intentions Belgian government

- ▶ Choice for the path of transparency
- ▶ Active participation in the BEPS project
- ▶ Making the Belgian legislation BEPS proof where needed

Conclusion

- ▶ Create certainty
- ▶ Focus on competitive tax legislation compliant with the BEPS framework and EU regulations