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CYPRUS AND THE GLOBAL MINIMUM TAX: A COMPREHENSIVE ANALYSIS OF THE NEW LEGAL FRAMEWORK

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POLICY OF PILLAR 2: HOW WE CAME HERE?

After World War II, taxes skyrocketed

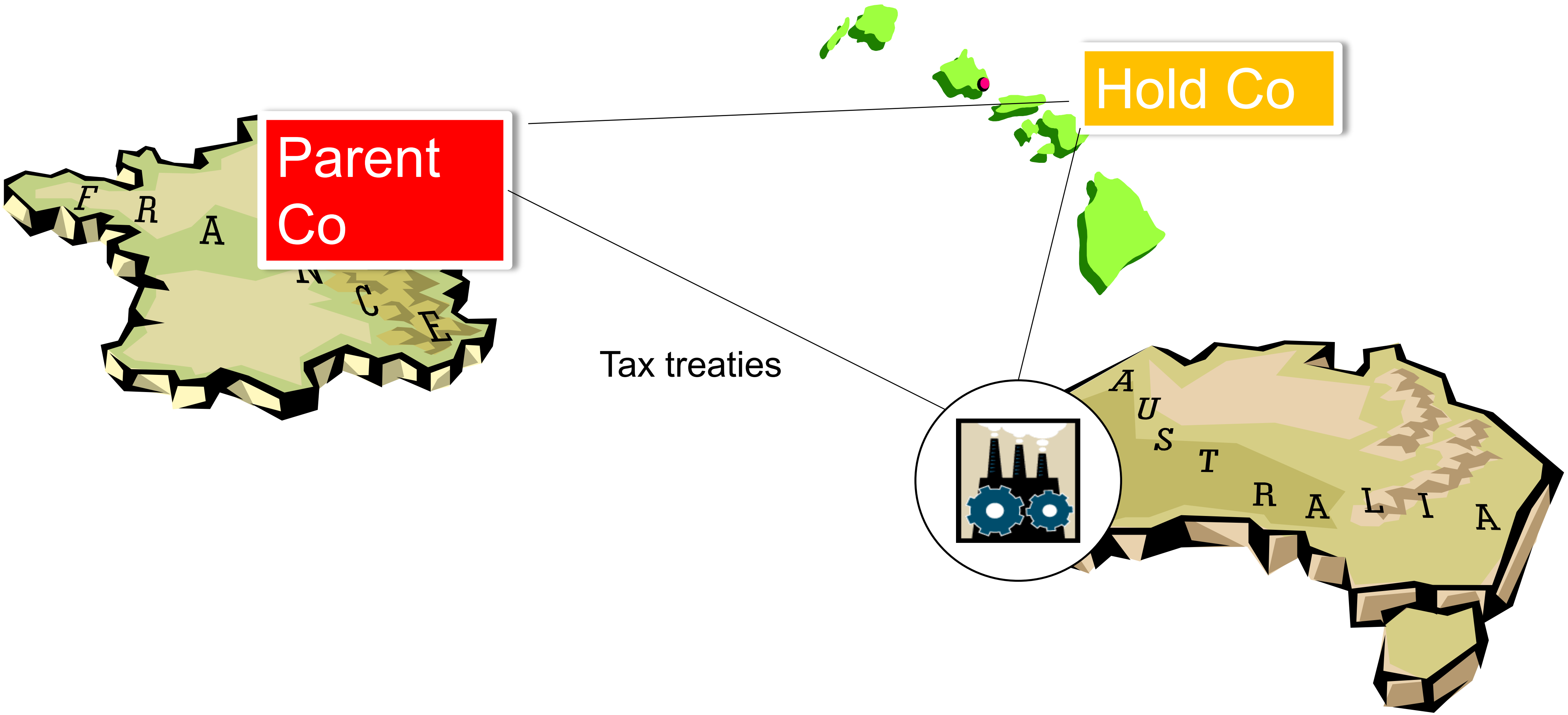
Treaties were introduced to eliminate double taxation (resident and source taxation)

As a result, many low-tax resident companies were used as tax shelters, leading to tax competition

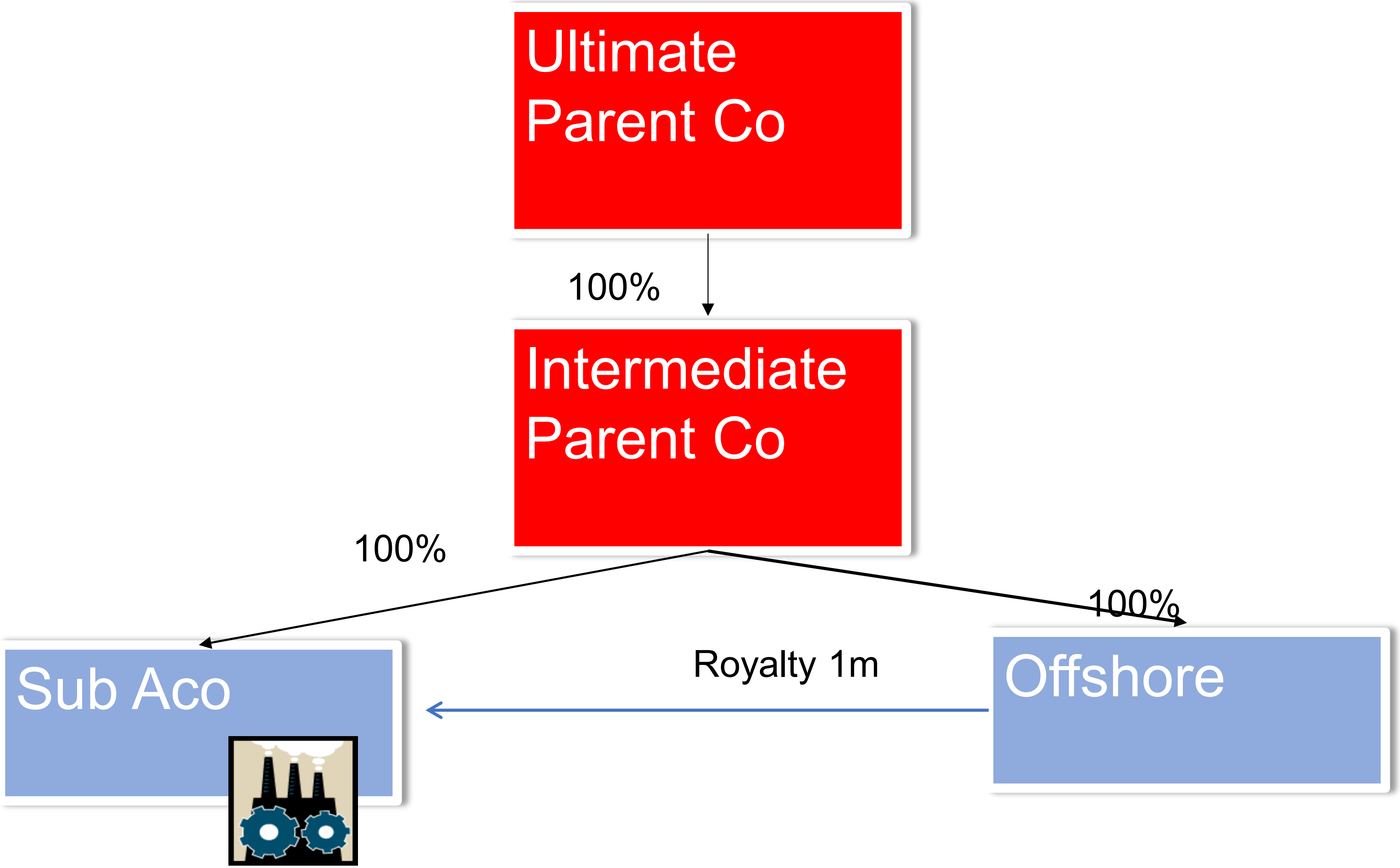
BEPS helped by introducing many anti-avoidance rules but did not address tax rates

Pillar 2 to impose minimum 15% effective tax rate, Main argument is that double non taxation is equally bad as double taxation

POLICY OF PILLAR 2 IN PRACTICE (1)



POLICY OF PILLAR 2 IN PRACTICE (2)



STRUCTURE OF THE GLOBE MODEL RULES: SIX STEP APPROACH

CORE PROVISIONS OF THE GLOBE RULES

Step 1 – Determine whether the MNE Group is within scope

Identify Groups within scope

Step 2 –Allocate income of Constituent Entities on a Jurisdictional Basis

Identify the location of each Constituent Entity within the Group and allocate the income to these Constituent Entities

Step 3 – Calculate the GloBE Income

Determine GloBE Income of each Constituent Entity

Step 4 – Determine Adjusted Covered taxes

Determine taxes attributable to GloBE Income of a Constituent Entity

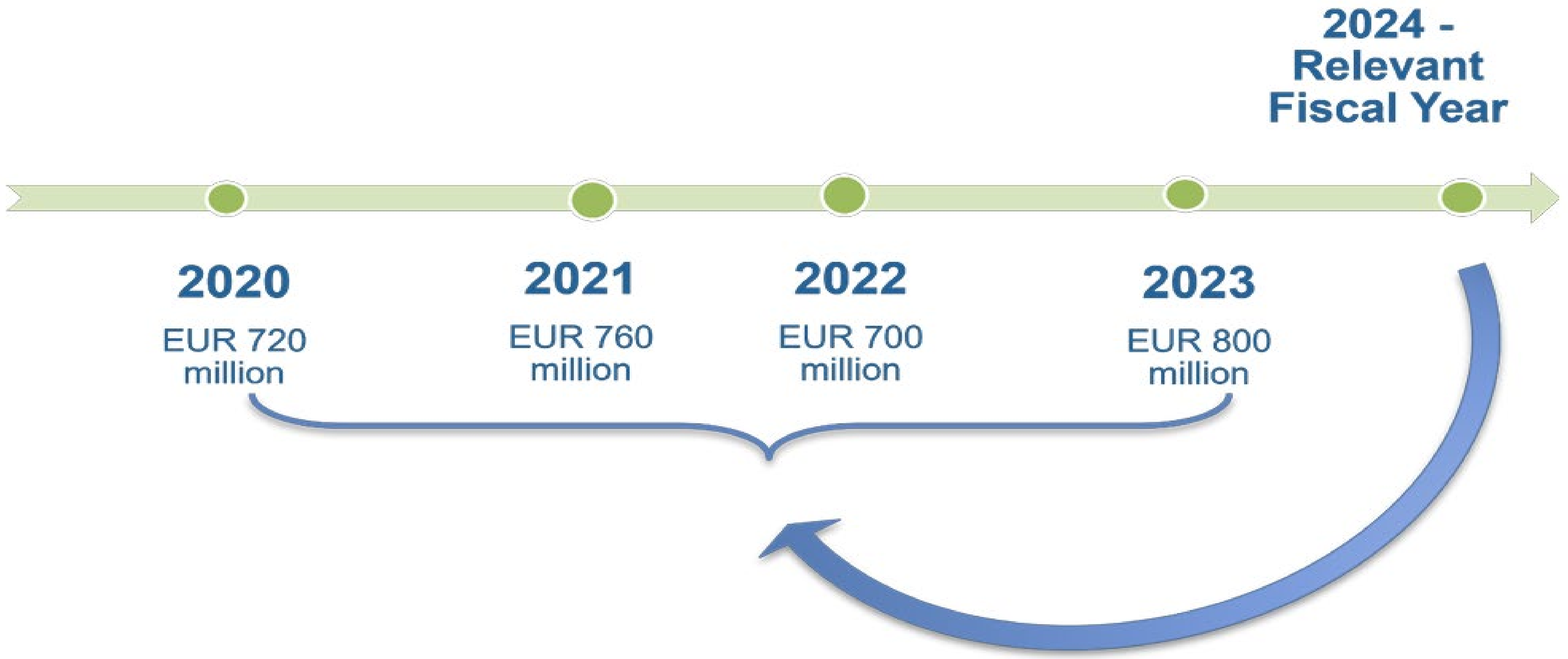
Step 5 – Compute the Effective Tax Rate and calculate the Top-up Tax

Calculate the Effective Tax Rate for all Constituent Entities located in the same jurisdiction and determine resulting Top-up Tax

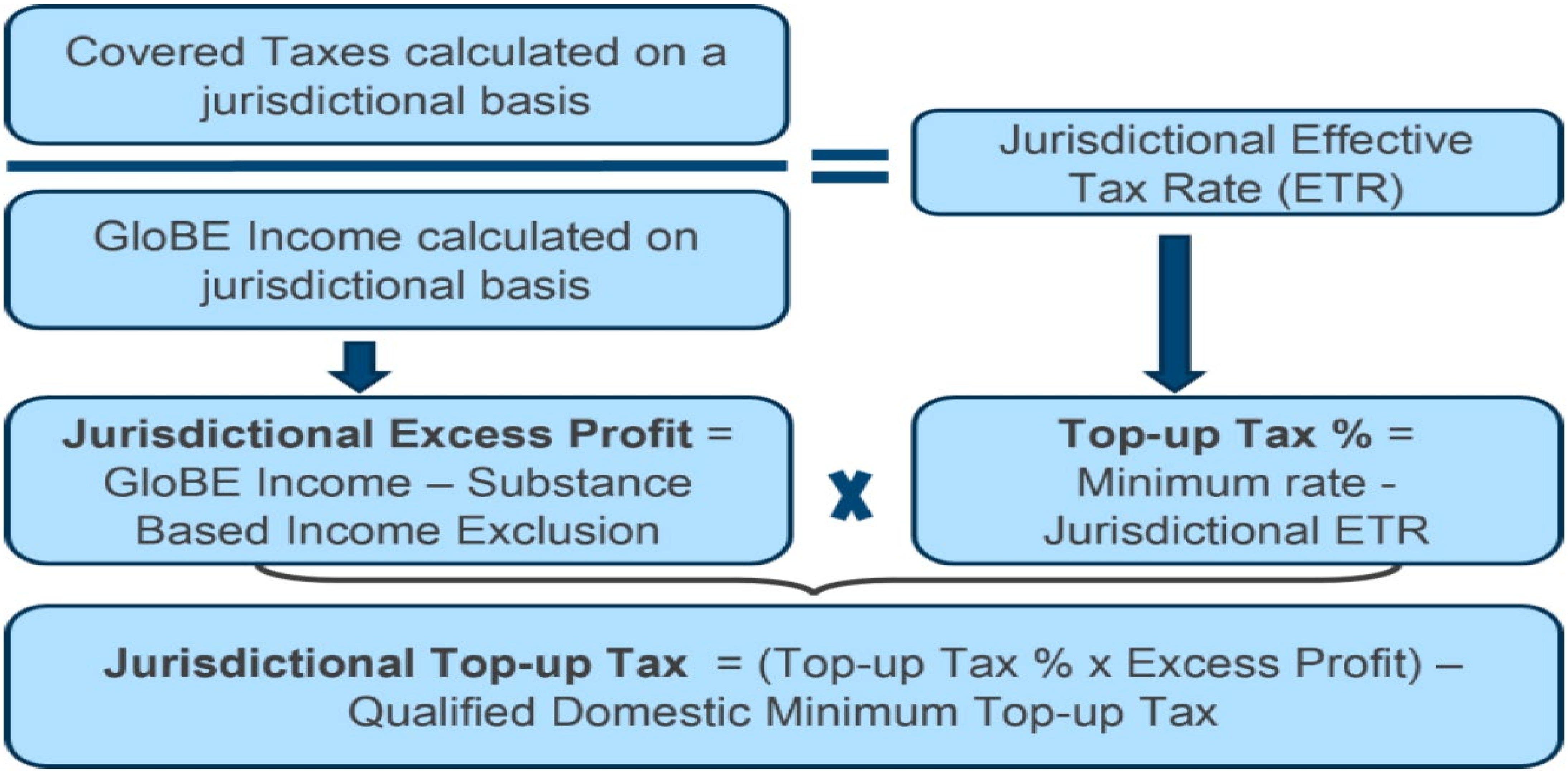
Step 6 – Charge the Top-up Tax under QDMTT, IIR or UTPR

Impose Top-up Tax under QDMTT, IIR or UTPR in accordance with agreed rule order and allocation mechanisms

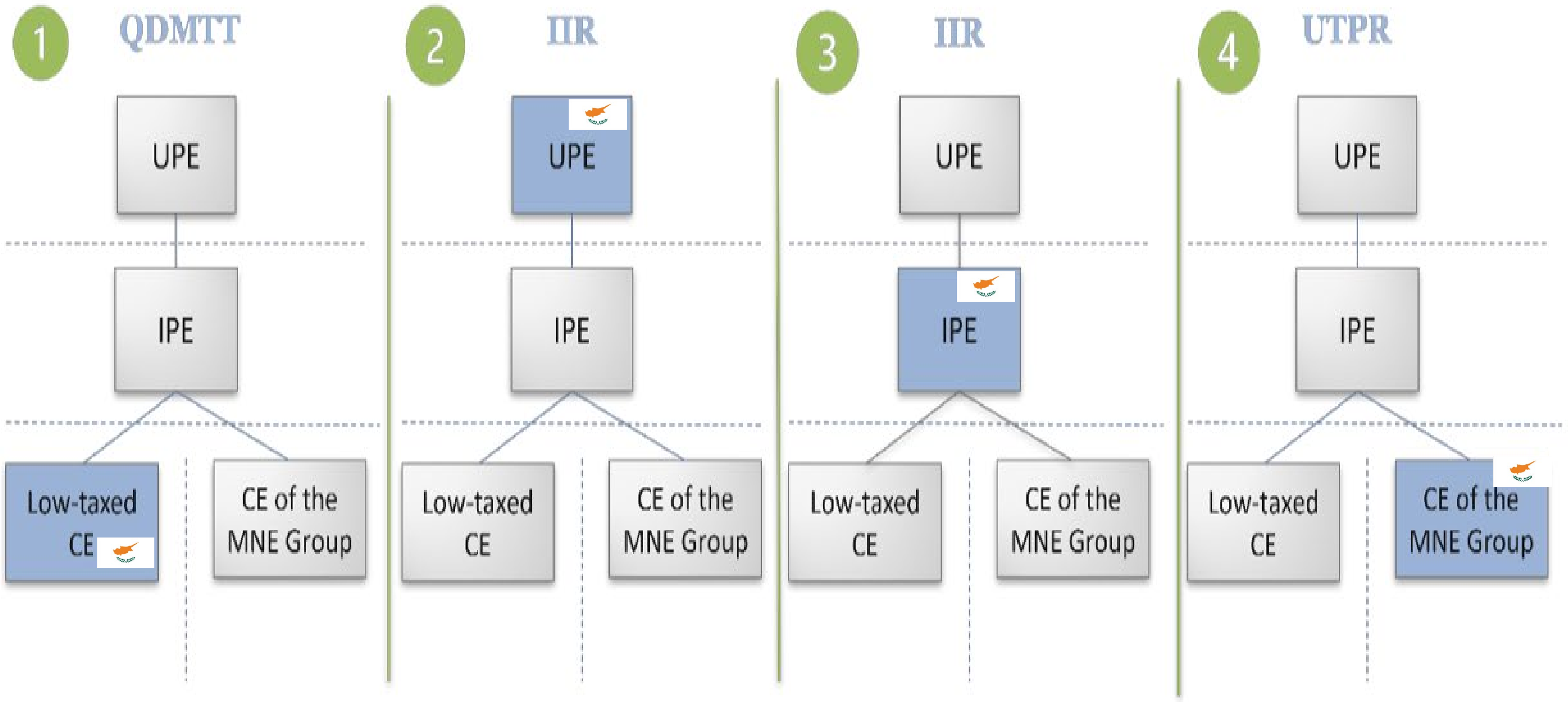
EXAMPLE: REVENUE THRESHOLD TEST



STEP 5: COMPUTE THE ETR AND CALCULATE THE TOP-UP TAX



STEP 6: CHARGE THE TOP-UP TAX UNDER THE QDMTT, IIR OR UTPR (SIMPLIFIED ILLUSTRATION OF THE RULE ORDER)



OVERVIEW OF THE CYPRIOT PILLAR TWO LAW

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OVERVIEW

- On December 12 2024, Cyprus adopted the Global Minimum Tax of MNE Groups and Large-Scale Domestic Groups Law, commonly known as "Pillar Two."

- Published in the Official Government Gazette on December 18 2024,

- This legislation implements the EU Directive issued on December 14, 2022
  - The law aligns with the EU Minimum Tax Directive, providing limited flexibility to member states in national implementation.

- The Cyprus Pillar Two law doesn't amend the Cypriot Income Tax Law.
  - Instead, it establishes an additional tax framework that functions alongside the existing income tax law.

KEY PROVISIONS OF THE CYPRIOT PILLAR TWO LAW

- Income Inclusion Rule (**IIR**) is to apply to financial years beginning on or after **31 December 2023**.
  - The IIR requires a local parent company to ensure that its profits and those of its local subsidiaries are taxed at a minimum effective tax rate of 15%

- Under-Taxed Profits Rule (**UTPR**) will apply to financial years beginning on or after **31 December 2024**.
  - UTPR imposes a top-up tax to address any insufficient taxation not taxed by the QIIR by using a denial of deduction mechanism under corporate income tax

- Qualified Domestic Minimum Top-Up Tax (**QDMTT**) will apply to financial years beginning on or after **31 December 31 2024**.
  - This provision takes precedence over the QIIR and QUTPR, ensuring that all constituent entities meet the minimum tax requirements

CYPRUS VS. THE GLOBAL MINIMUM TAX: ALIGNMENT & DIVERGENCES

KEY DIFFERENCES OF THE CYPRIOT PILLAR TWO LAW TO OECD MODEL RULES & EU DIRECTIVE

The Cypriot Pillar Two Law largely aligns with the EU Directive, which limits flexibility in national implementation.

Key differences include:

- QDMTT
- The Cypriot Pillar Two Law applies the GloBE rules to large domestic groups.
- Cypriot Pillar Two Law extends the IIR to all domestic entities, not just foreign subsidiaries, which is optional in GloBE Model Rules.
- For the UTPR, Cypriot Pillar Two Law opts for a top-up tax instead of denying deductions.
  - Therefore the provisions of article 2.4.2. of the OECD Model Rules and the corresponding provisions of the corresponding provisions of the EU Directive Article 12(2) and Article 13(2) are not included in the Cypriot Pillar Two Law
- Articles 10(2), 13(1), and 14(1) of the law provides that an MNE group may transfer the top-up tax amount due, either fully or partially, from one constituent entity to another constituent entity or entities within the same group located in Cyprus.
- Does not specifically include a General Anti-Avoidance Rule—aligning with the EU Directive and Model Rules

PROVISIONS FROM THE 1ST OECD ADMINISTRATIVE GUIDANCE INCLUDED IN THE CYPRIOT PILLAR TWO LAW

- Sovereign wealth funds and the definition of Ultimate Parent Entity (it also excludes the National Investment Fund from the UPE definition) (Article 1.4)
- Clarifying the definition of ‘Excluded Entity’ (Article 1.5)
- Forex hedge election (Article 2.2)
- Excluded Dividends – Asymmetric treatment of dividends and distributions (Article 2.3)
- Debt release election (Article 2.4)
- Accrued pension expenses (Article 2.6)
- Excess negative tax carry-forward guidance (Article 2.7)
- Substitute loss carry forwards (Article 2.8)
- Equity gain or loss inclusion election (Article 2.9)
- The extension of the taxable distribution method election to insurance investment entities (Article 3.1)
- Exclusion of Insurance Investment Entities from the definition of Intermediate Parent Entity and Partially-Owned Parent Entity (Article 3.2)
- Liabilities related to Excluded Dividends and Excluded Equity Gain or Loss from securities held on behalf of policyholders (Article 3.4)
- Portfolio shareholding election (Article 3.5)

IMPLEMENTING THE PROVISIONS OF THE CYPRIOT PILLAR TWO LAW

Under Article 59: n the application of the Cypriot Pillar Two Law it shall be used as a source of examples or interpretations, to the extent that no inconsistency arises in the implementation of the EU Directive and this law the OECD guidelines as defined in Article 2:

- Commentary to the GloBE Rules (First edition) published on 14 March 2022: click here
- Examples originally published on 14 March 2022 and revised on 25 April 2024: click here
- Safe harbours and penalty relief published on December 2022: click here
- 1st Administrative Guidance published on 02 February 2023: click here
- 2nd Administrative Guidance published on 17 July 2023: click here
- GloBE Information Return published on 17 July 2023: click here
- 3rd Administrative Guidance published on 15 December 2023: click here
- Consolidated Commentary to the GloBE Rules published 25 April 2024: click here
- 4th Administrative Guidance published on 04 June 2024: click here
- **Subsequent documents** published by the OECD as defined by **Decree** issued by the Minister pursuant to subsection (2) of Article 60 (secondary law)

PROVISIONS FROM THE 2ND, 3RD, 4TH AND 5TH OECD ADMINISTRATIVE GUIDANCE ARE NOT INCLUDED CYPRIOT PILLAR TWO LAW

Examples not included

- Blended controlled foreign company regimes
- Transferable tax credits
- Meaning of “ancillary” for Non-Profit Organisations
- The extension of the tax transparency election to mutual insurance companies
- Additional rules (such as the deemed 50% requirement where employees perform work outside the employer’s jurisdiction for the SBIE).

- **Subsequent documents published by the OECD** as defined by **Decree issued by the Minister** pursuant to subsection (2) of Article 60 (secondary law)

CYPRIOT PILLAR TWO LAW: ELECTIONS

The Cyprus Pillar 2 Law includes **all elections** from the OECD Model Rules and the EU Minimum Tax Directive, including elections from the 1st Administrative Guidance

- Article 4(4) Excluded Entity Election
- Article 17(3) Stock-Based Compensation Election
- Article 17(3)(a) Portfolio Shareholding Election
- Article 17(6) Election to use the Realization Method
- Article 17(7) Election to Spread Capital Gains
- Article 17(9) Consolidation Election
- Article 17(12) Foreign Exchange Hedge Election
- Article 17(13) Debt Release Election
- Article 22(5)(b) Excess Negative Tax Carry-Forward Election
- Article 22(6) Equity Investment Inclusion Election
- Article 23(1)(b) Unclaimed Accrual Election
- Article 24(1) GloBE Loss Election
- Article 26(1) Prior Year Adjustment Election
- Article 31(1) De minimis Election
- Article 29(2) Substance-Based Income Exclusion Election
- Article 36(5) Deemed Disposal of Assets Election
- Article 41(1) Distribution Tax Regime Election
- Article 43 Tax Transparency Election
- Article 44 Taxable Distribution Election

CYPRIOT PILLAR TWO LAW ARTICLE 12: QDMTT

Article 12(1)(b) Base Calculation: General GloBE top-up tax with specific adjustments as per Cypriot Pillar Two Law.

- Article 2 Exclusions: CFC push down, hybrids, PEs, and tax on distributions are excluded from DMTT calculations
- Article 12(1)(a) Ownership: Applies irrespective of shareholdings in group entities in Cyprus.
- Article 12(1)(c) UTPR Exemption: For Initial Phase of International Activity for large-scale domestic groups and certain joint ventures.
- Article 12(1)(d) Top-up Tax Transfer Option: MNE groups can transfer top-up tax within the same group in Cyprus, subject to consent and registration
- Article 12 (3) Safe Harbours & De Minimis Rule as adopted by EU/OECD
- Article 12 (4) Unpaid DMTT: Typically taken into account for top-up tax after four years.

CYPRIOT PILLAR TWO LAW: SAFE HARBOURS

- On 24 July 2024 Cyprus provided consent to all OECD Safe Harbor Rules, including the Transitional CbCR Safe Harbor and the Transitional UTPR Safe Harbor (other than the EU QDMTT safe harbour): click here

- Article 12(3) of the law applies the EU DQMTT Safe Harbour as well.

- Article 33 of the law: A filing constituent entity may elect for the top-up tax in a specific jurisdiction to be deemed zero for a financial year.

  - Conditions for Safe Harbour Treatment:
    - Constituent entities in the jurisdiction must comply with an "Accepted International Safe Harbour Agreement".
      - A set of internationally agreed rules and conditions.
      - Consensus among all EU Member States.
      - Provides eligible groups the option to benefit from one or more safe harbours in a jurisdiction.

CYPRUS PILLAR TWO: COMPLIANCE

CYPRUS IMPLEMENTATION OF PILLAR II –THE PROCESS

1. Determine Scope and Applicability
2. Compute GloBE Income or Loss
3. Determine Adjusted Covered Taxes
4. Compute the Effective Tax Rate (ETR) per Jurisdiction
5. Calculate the Top-up Tax per Jurisdiction
6. Apply the GloBE Taxing Mechanisms in Order
   - Qualified Domestic Minimum Top-up Tax (QDMTT) – The jurisdiction applies its own QDMTT first to retain taxing rights.
   - Income Inclusion Rule (IIR) – The UPE or intermediate parent applies the IIR to pick up any remaining Top-up Tax.
   - Undertaxed Payments Rule (UTPR) – If there are residual Top-up Taxes, they are allocated among UTPR jurisdictions based on economic presence.
7. Finalize Allocations and Compliance Reporting
   - Ensure correct allocations among affected jurisdictions.
   - Prepare the GloBE Information Return (GIR) and submit it per the jurisdictional requirements.

CYPRUS IMPLEMENTATION OF PILLAR II – THE LAW

- According to **Article 59** of the Law, the OECD guidelines should be used as a source of examples or interpretations, provided there is no inconsistency with the Directive and this Law.

- **Article 2** specifies the OECD Documents that are ancillary to the provisions of this law, including the document GloBE Information Return ("**GIR**") published on 17th July 2023.

- Future OECD Guidelines not specified in the Law may be included through a Ministerial Decree issued under Article 60(b).

- Revised GIR was published by the OECD on 15th January 2025.

- We expect that the Minister will issue a Decree accordingly, until then the previous GIR is applicable.

OBLIGATION TO SUBMIT INFORMATION RETURN

- The **Constituent Entity** located in Cyprus or a **Designated Local Entity** on its behalf must submit the Information Return to the Cypriot Tax Authorities.

- The **UPE** or **Designated Local Entity** must submit the GIR

- They are exempted from submitting, if the Information Return was filed by:
  - the **UPE** or a **Designated Filing Entity** located in a jurisdiction that has a Qualifying Competent Authority Agreement in effect with the Republic of Cyprus for the Reporting Fiscal Year.

  - In these case, the Cypriot Tax Authority should be informed about the Entity that completed the filing and the jurisdiction where it is located at.

NECESSARY INFORMATION FOR GIR

- **Part I: MNE Group Information**
  - Identification of the Filing Constituent Entity
  - MNE Group General Information
  - Corporate Structure
  - High-level summary of GloBE Information

- **Part II: Jurisdictional safe harbours and exclusions – Jurisdictional schedules**
  - Characteristics of the jurisdiction
  - Jurisdictional exceptions applicable in respect of this jurisdiction (Top-up Tax reduced to zero)
  - MNE Group in the initial phase of international activity (if applicable)

NECESSARY INFORMATION IN GIR

- **Part III: GloBE Computations**
  - Characteristics of the jurisdiction
  - ETR computation
    - ETR
    - Jurisdictional computations relating to deferred tax accounting
    - Jurisdictional elections (if any)
    - Constituent Entity Computations
  - Top-up Tax computation
    - Top-up Tax
    - Computation of Substance-based Income Exclusion (if applicable)
    - Additional Current Top-up Tax
    - QDMTT
  - Top-up Tax allocation and attribution (if any)
    - Application of the IIR in respect of this jurisdiction
    - Total UTPR Top-up Tax amount in respect of this Jurisdiction
    - Attribution of Top-up Tax under the UTPR

INFORMATION RETURN AS PER CYPRIOT LAW 151(I)/2024

- Constituent Entity details:
  - Entity names and tax identification numbers
  - Jurisdiction of establishment (if applicable)
  - Status under this Law (if applicable)

- Corporate Structure
  - Overview of the group's structure
  - Controlling interests held by constituent entities

- Tax calculation data:
  - Effective Tax Rate (ETR) per jurisdiction and top-up tax for each entity
  - Top-up tax for joint venture group members
  - Tax allocation:
    - Under the IIR
    - Under the UTPR for each jurisdiction

- Record of Elections that took place pursuant to this Law.

- Information Returns must be filed within 15 months after the end of the Tax Period.

TAX LIABILITY AND PAYMENT

- The amount that will be taxes is based on the data in the Information Return.

- Payment should take place within 30 days after the deadline for submission.

- If the amount is not paid within the deadline, then the following penalties are imposed:
  - 5% surcharge on unpaid tax,
  - Annual interest applied if not paid on time, based on the Unified Public Interest Rate Law (the interest calculated on completed months of delay).

ADMINISTRATIVE PENALTIES

Violation	Penalty
Failure to submit the Information Return	Fine up to €10,000
Submission of incomplete or inaccurate Return	Fine up to €5,000
Failure to maintain required records as per Article 51	Fine up to €1,500
Denial of access to information for tax audit of documents maintained as per Article 45	Denial of Access to Information for Tax Audit
Non-Compliance with disclosure obligations of Article 47	Fine up to €5,000
Repeated violations or non-payment of fines	Fine may increase up to €20,000
Collection of unpaid fines	Tax Commissioner may take legal action to recover the amount

EXPERIENCES FROM OTHER COUNTRIES

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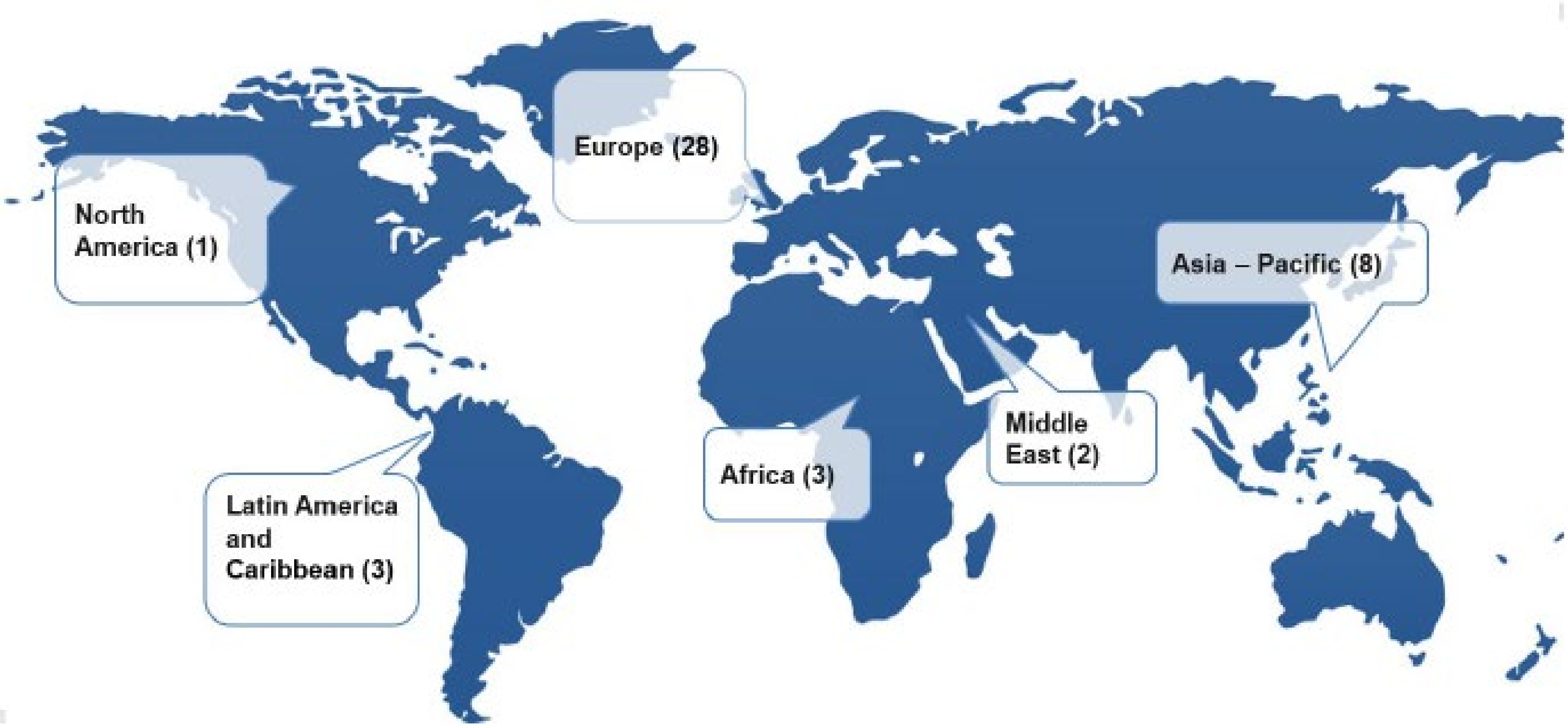
IMPLEMENTATION STATUS GLOBALLY



Current status of implementation of the global minimum tax by jurisdictions with final or draft legislation for 2024/25

Source: OECD

WILL GLOBAL MINIMUM TAX COME INTO EFFECT? (1)

- **US** has distanced itself from the commitment to OECD Two-Pillar Solutions and threatened retaliatory measures against countries that are acting in a “discriminatory” manner against US citizens and corporations operating in foreign jurisdictions unconstitutional

- **China** and **India** have not yet implemented Pillar Two legislation

- At the same time, **UTPR is being challenged in European Courts** e.g. the Belgian constitutional court case:
  - US organization (American Free Enterprise Chamber of Commerce) filed a legal challenge to Belgium’s Pillar 2 Undertaxed Payment Rule (UTPR)- Belgian UTPR should be annulled because it violates the Belgian Constitution and similar rights as laid down in the European Convention on Human Rights and the EU Charter of Fundamental Rights

WILL GLOBAL MINIMUM TAX COME INTO EFFECT? (2)

- Can the Pillar Two rules be effective if only European countries are applying them? And applying them without UTPR?

- The Fear of Missing Out (FOMO) is driving Pillar Two legislative developments elsewhere as the European top-up taxes have the impact of clawing back domestic tax incentives provided by host countries

- As a result, Pillar Two legislation has already come into effect in many countries

- However, many countries outside Europe have deferred implementation of IIR and UTPR, giving priorities only to DMTT

POST PILLAR TWO TAX INCENTIVES

- One of the main effect of DMTT is the claw back of any favourable tax incentives that in-scope MNE Groups are enjoying currently
  - The actual impact is more evident on **income-based incentives** (e.g. tax holidays, lower corporate tax rates, tax exemption, etc) and less so on **expenditure-based incentives** (e.g. accelerated depreciation)
- At the same time, many countries are implementing new tax incentives that have less impact on the effective tax rate calculations e.g. incentives that are recognised as income in the financial statements and for Pillar Two purposes such as **grants, subsidies, Qualifying Refundable Tax Credits**, etc.
  - **Brazil** (2024) (QDMTT) - Old SEZ (exemption) is turned into a QRTC?
  - **Barbados** (2024) (QDMTT) - Qualified Jobs Credit (Refundable payroll tax credit on eligible payroll costs) and R&D Credit (Refundable tax credit of 50% of qualifying expenses incurred) introduced as QRTC?
  - **Belgium** - R&D investment credit made refundable; transferability introduced and turning into QRTC?
  - **Hungary** – new R&D credits at 10% of eligible costs, refundable at the end of the 4th year, in line with the new regime being a QRTC?
  - **Ireland** – R&D credits amended to become 30% of qualifying expenditure, refundable over three years
  - **Singapore** - Refundable tax credit for qualifying expenditures in qualifying projects aimed at investments that generate high-value and substantive economic activities
  - **Vietnam** – new special investment fund in line with QRTC?

SOME KEY STRESS POINTS IN PILLAR TWO COMPLIANCE

- In-scope vs. out-of-scope multinational groups/entities
- Application of safe harbours
  - De minimis exclusion
  - Transitional CbCR Safe Harbours
  - Simplified Calculations Safe Harbours
  - Transitional UTPR safe harbour
- DMTT vs QDMTT vs QDMTT as a Safe Harbour
  - DMTT = increase in covered taxes
  - QDMTT = credit against IIR top-up taxes
  - QDMTT as a Safe Harbour = zero IIR top-up taxes
- Application of the Ordering Rules
  - QDMTT as a safe harbour
  - Qualified IIR
- Treatment of special entities
  - Transparent entities, Hybrid entities, Reverse Hybrid entities
  - Not fully-owned constituent entities, JV, JV entities, MOCE
  - Investment Entities and Insurance Investment Entities
  - MNE Groups at the initial phase of international activity
- Optional variations in the design of QDMTT
  - Can be more burdensome, but not less…
  - Choice of accounting standards
  - Choice of currency translation approach
  - Elections

DISPUTE PREVENTION MECHANISMS (1)

Reliance on the Model Rules, Commentary and Administrative Guidance

- Qualified rule status – coordination through the agreed rule order is expected to prevent dispute
- Referral to the IF on BEPS – but on policy issues only, not on a case-by-case basis

Common risk assessment and coordinated compliance

- A co-ordinated programme similar to the OECD International Compliance Assurance Programme (ICAP) could be developed for GloBE purposes

Binding certainty mechanisms

- A common standard would need to be defined for an APA-like mechanism to be workable in the context of the GloBE Rules

DISPUTE RESOLUTION MECHANISMS (2)

MAP-like process similar to Article 25 of the OECD Model Tax Convention

- Submit request to competent authorities
- Competent authorities attempt to resolve disputes through negotiation, in line with a common standard; and
- Jurisdictions implement any agreement between the competent authorities, notwithstanding domestic time limits

Questions:

- What is the common standard for dispute resolution - A common standard is needed – can this be based on the GloBE Rules, Commentary and Agreed Administrative Guidance?
- What is the appropriate legal instrument – multilateral agreement, Convention on Mutual Administrative Assistance in Tax Matters, bilateral tax treaty or domestic law?

REFERENCES

REFERENCES

- Pillar 2 Model GloBE Rules published on 14 December 2021 click here
- OECD website for Pillar 2 updates click here
- EU Directive issued on December 14, 2022
- Cyprus Pillar 2 law published in the Official Government Gazette on December 18 2024
- Commentary to the GloBE Rules published on 25 April 2024 click here
  - This Consolidated Commentary incorporates Agreed Administrative Guidance that has been released by the Inclusive Framework since March 2022 up until December 2023
- Illustrative examples published on 25 April 2024 click here
- 4th Administrative Guidance published 17 June 2024 click here
- OECD (2022), Tax Incentives and the Global Minimum Corporate Tax: Reconsidering Tax Incentives after the GloBE Rules published on 6 October 2022 click here
- 5th Administrative Guidance published 15 January 2024
  - Central Record of Legislation with Transitional Qualified Status click here
  - Articles 8.1.4 and 8.1.5 of the GloBE Rules and Article 9.1 of the GloBE Rules

FURTHER READING

- For more detailed insights, you can refer to our previous articles published in Bloomburg tax:
  - Deconstructing Pillar Two – Impact on Multinational Enterprise and
  - Analysis of Pillar Two Primary Rule IIR – and Comparison With CFC Rules.
  - Cyprus' Pillar Two Adoption Calls for MNE Safe Harbor Testing

- BOOK: Pillar Two of the Inclusive Framework on BEPS (Global Minimum Taxation of the OECD – OECD)
  - This book is essential for anyone looking to navigate the Global Anti-Base Erosion (GloBE) rules. It provides a comprehensive and practical perspective on the challenges and solutions within the BEPS framework, making it a key resource for businesses, advisors, and policymakers.

THANK YOU!

Christos Theophilou is a distinguished tax expert, providing advisory services to both private and corporate clients on intricate international tax and transfer pricing issues. His expertise encompasses cross-border investments, private equity structuring, structured finance, intellectual property structuring, and international trade.

Christos holds an MSc in Tax Law from Oxford University, a Bachelor's degree in Economics, and an LLB Law degree from Frederick University. He is a Chartered Accountant in England & Wales and has obtained the Advanced Diploma in International Taxation (ADIT) from the UK Chartered Institute of Taxation.

Christos is a prolific contributor to various esteemed international tax publications, including IBFD, Tax Notes International, Bloomberg Tax, International Tax Review, Edward Elgar, and IFA. Furthermore, Christos is currently a member of the Tax Policy and Strategy committee of ICPAC.

Christos also serves as a freelance lecturer for Tolley's (LexisNexis) and IBFD, where he lectures on ADIT Paper 1 Principles of International Tax, Transfer Pricing, and Pillar 2. He is a frequent speaker at international tax conferences, sharing his extensive knowledge and insights with the global tax community.

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Costas has considerable experience in advising on international tax law and corporate tax issues. He focuses his practice on the tax aspects of inbound and outbound business operations with a strong track record in cross-border investment structures and structured finance. Costas also specializes in Transfer Pricing, with experience in a broad range of transfer pricing matters.

Costas holds an LL.B. and a Master of Laws (LL.M.) in International Taxation from the Vienna University of Economics and Business (WU) in Austria. He is admitted to practice as lawyer to the Cyprus Bar Association and a qualified fellow member of the Association of Certified Chartered Accountants (ACCA).

Costas serves as the Cypriot correspondent of the IBFD holding regime. He is also the co-author of the book Limiting Base Erosion edited by Professor Michael Lang. He regularly publishes on a wide variety of tax topics. Costas contribute the taxation of trusts chapter on the book of Prof. Christos Clerides Equity & Trusts in Cyprus

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Demis specialises in corporate income tax law, transfer pricing and international tax (treaty) law. He has a strong track record with clients in advising on transfer pricing issues and in complex corporate tax law issues. His extensive interest on comparative income tax law (US, UK, Canada and Australia) offers him a unique advantage in solving complex tax issues in Cyprus.

Demis received his Master of Laws (MSc) in Tax Law from Oxford University. He was trained from a Big4 company and holds a first-class Bachelor's degree in Accounting and Finance from the UK, as well as being a qualified Chartered Accountant in England & Wales. He also holds an LLB from Frederick University Cyprus.

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Shee Boon Law is our Academic Counsel on International Tax and Transfer Pricing based in the Netherlands.

Shee Boon brings with him over 25 years of tax advisory experience and a perspective based on a unique blend of international background working with the New Zealand tax authorities, the OECD in France, IBFD in the Netherlands and DLA Piper in the UK and the Netherlands.

Shee Boon has experience in advising multinational groups, governments and international organisations on corporate international tax structuring for outbound investments, tax policy and tax and transfer pricing controversy approaches under international and EU law.

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Gaspar has experience in a broad range of transfer pricing and international tax matters including financial operations, business reorganisations and IP structuring, advising multinationals in various industries and investment funds.

He joined Taxand Cyprus in 2021 from the tax practice of Baker & McKenzie in London, having previously worked at Loyens & Loeff in Luxembourg, and KPMG Belgium. Gaspar holds an LL.B civil law (Nova University Lisbon), LL.M International Tax (Tilburg University), MSc Taxation (University of Oxford), ADIT member UK CIOT, and is an IFA member (UK Branch).

Some of his titles include:

- LOPES DIAS, Gaspar, Chapter 22: Luxembourg in Implementing Key BEPS Actions: Where Do We Stand? – peer reviewed book following the 2017 Rust Conference, IBFD, WU Tax Law and Policy Series, vol. 12, Dec. 2019.
- LOPES DIAS, Gaspar, The concept of Debt-Claim as the Key Distinguishing Factor between Dividend and Interest Income in the OECD MC, IBFD Vol. 17 Deriv. & Fin. Inst., Issue 2, Feb. 2015.
- [BOOK] LOPES DIAS, Gaspar, Tax Arbitrage through Cross-Border Financial Engineering, Kluwer Law International, Series on International Taxation No. 50, Feb. 2015.

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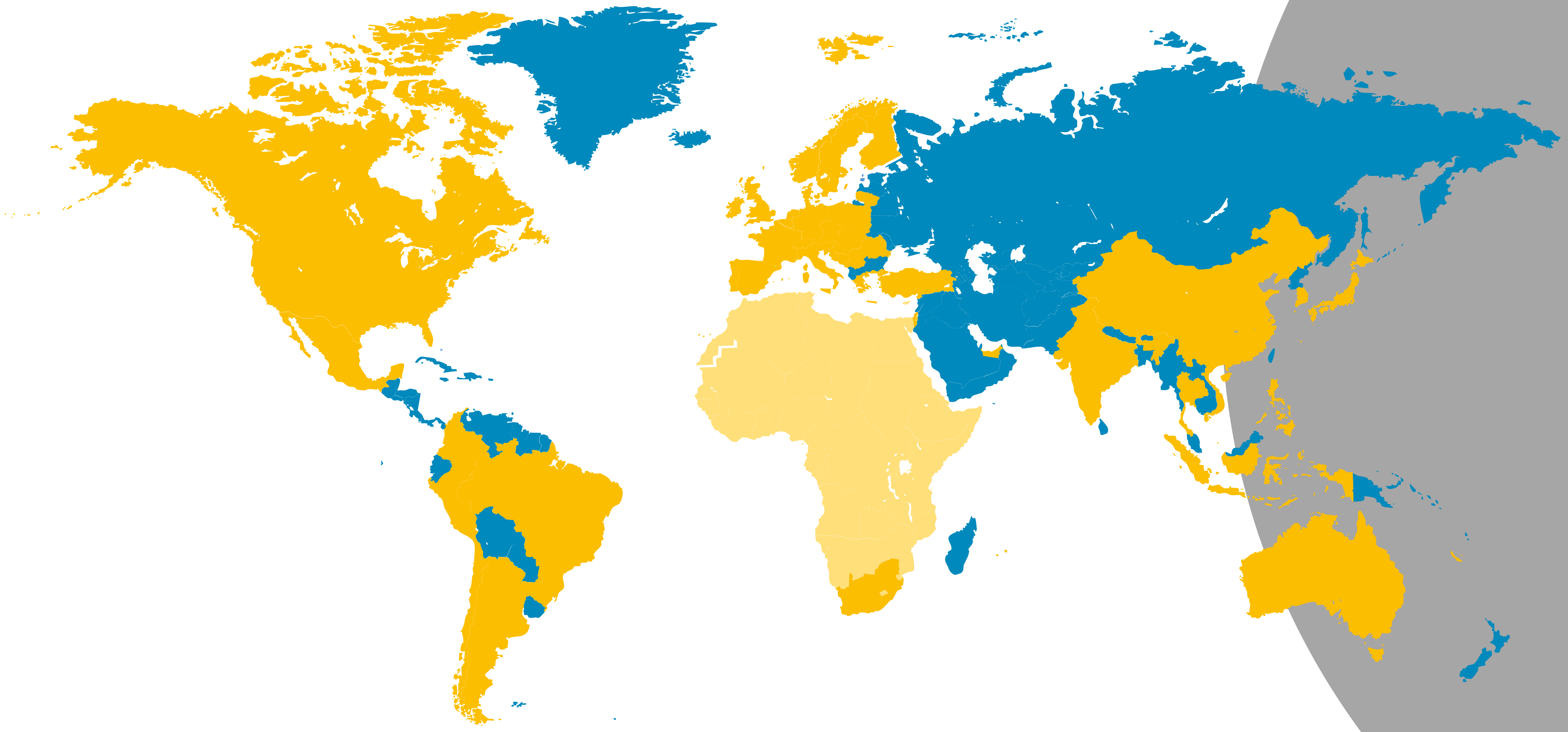
Established with an entrepreneurial mindset since 2005, Taxand has always sought to grow; adding handpicked firms delivering tax advice in each of the countries we serve, to provide easy access to first-class tax advice globally. **Our approach is personal; our focus is global**

Thinking strategically
Taxand has evolved into an integrated worldwide organization of **leading experts with complementary skills and experience**

Stronger in partnership
The pace of change in our industry is unprecedented. Taxand is committed to applying our **shared knowledge, experience and expertise** to anticipate the challenges, embrace the opportunities and work hand in hand to shape the path ahead for the benefit of our clients

GLOBAL COVERAGE : 51 COUNTRIES



- Argentina
- Australia
- Austria
- Belgium
- Brazil
- Canada
- Chile
- China
- Colombia
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Emirates
- Finland
- France
- Germany
- Greece
- Hungary
- India
- Indonesia
- Ireland
- Israel
- Italy
- Japan
- Korea
- Luxembourg
- Malta
- Mauritius
- Mexico
- Netherlands
- Norway
- Peru
- Philippines
- Poland
- Portugal
- Puerto Rico
- Romania
- Serbia
- Singapore
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- Turkey
- Thailand
- UK
- USA
- Vietnam

Taxand member
Most African countries made accessible via South Africa

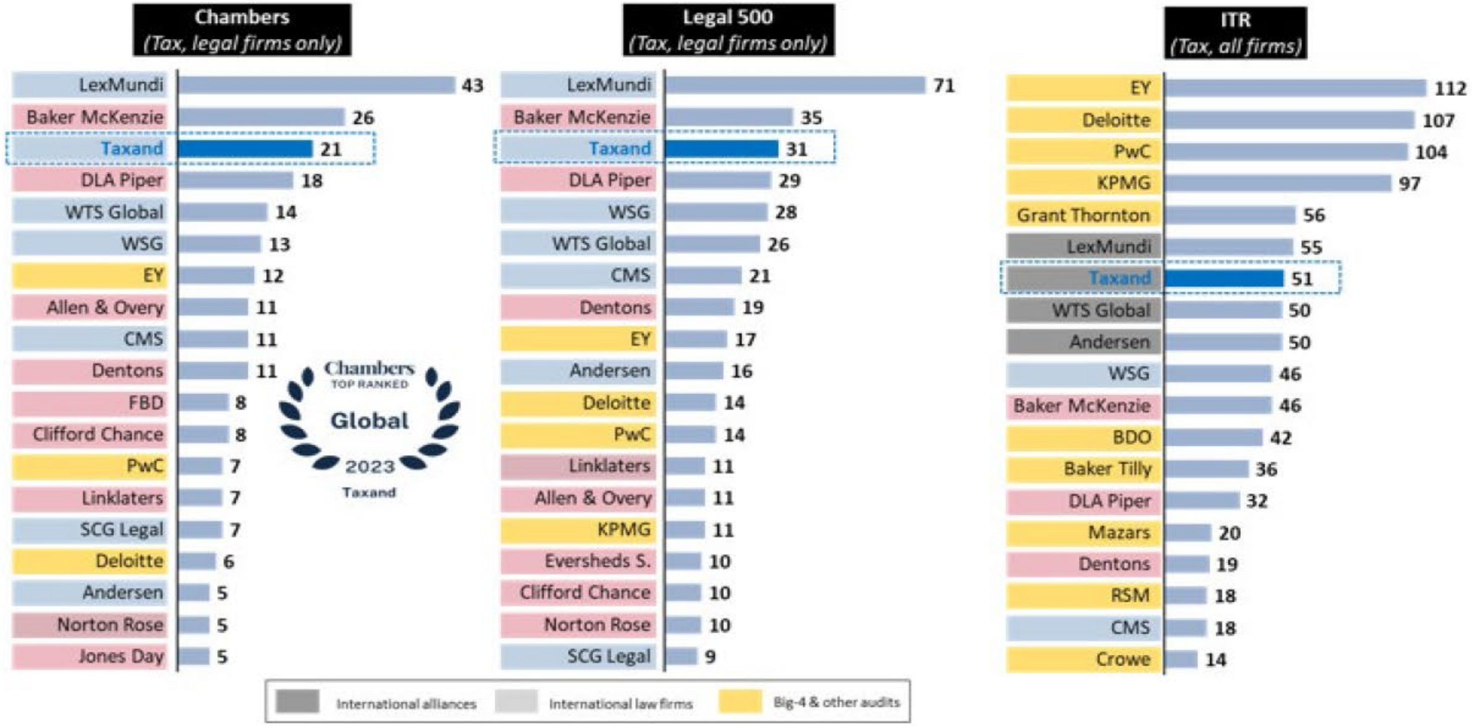
STI TAXAND
Your global tax partner

OUR MEMBER FIRMS

التميمي و مشاركوه AL TAMIMI & CO.
AlmaLED
ALVARADO TAX & BUSINESS ADVISORS Taxand
ARSENE TAXAND NETWORK
ARTEO
ATOZ TAX ADVISERS LUXEMBOURG
Avanzia TAXAND
BARROS & ERRÁZURIZ
Bech-Bruun
bmbpartners TAX AUDIT ADVISORY 25 YEARS
BLG Borden Ladner Gervais
BORENIUS
BORGEN TAXAND Global Member
Bruchou & Funes de Rioja
CENTRUM
CORRS CHAMBERS WESTGARTH
COVINGTON
CRIDO
DEMAREST
DFDL LEGAL & TAX
ELP ECONOMIC LAWS PRACTICE ADVOCATES & SOLICITORS
ens.
Flick Gocke Schaumburg
GARRIGUES
Gómez-Pinzón SINCE 1992
HENDERSEN TAXAND
HERZOG HERZOG FOX & NEEMAN
IQEQ Know how Know you
LeitnerLeitner Tax Audit Advisory
Leo Berwick
MAISTO E ASSOCIATI
MIJARES
NAGASHIMA OHNO & TSUNEMATSU
pbTaxand
SL&M SALVADOR LLANILLO & MIJARES ATTORNEYS-AT-LAW
Selmer
SKEPPSBRON SKATT TAXAND
STI TAXAND
Taxpartner Taxand
TAXHOUSE TAXAND
TRAVERS SMITH
WILLIAM FRY TAX ADVISORS
withers KhattarWong LLP
YULCHON 律村 Attorneys at Law YULCHON
ZEPOS & YANNOPOULOS

AWARDS

IN AGGREGATE TAXAND GLOBAL FIRMS ARE AMONG THE TOP RANKED

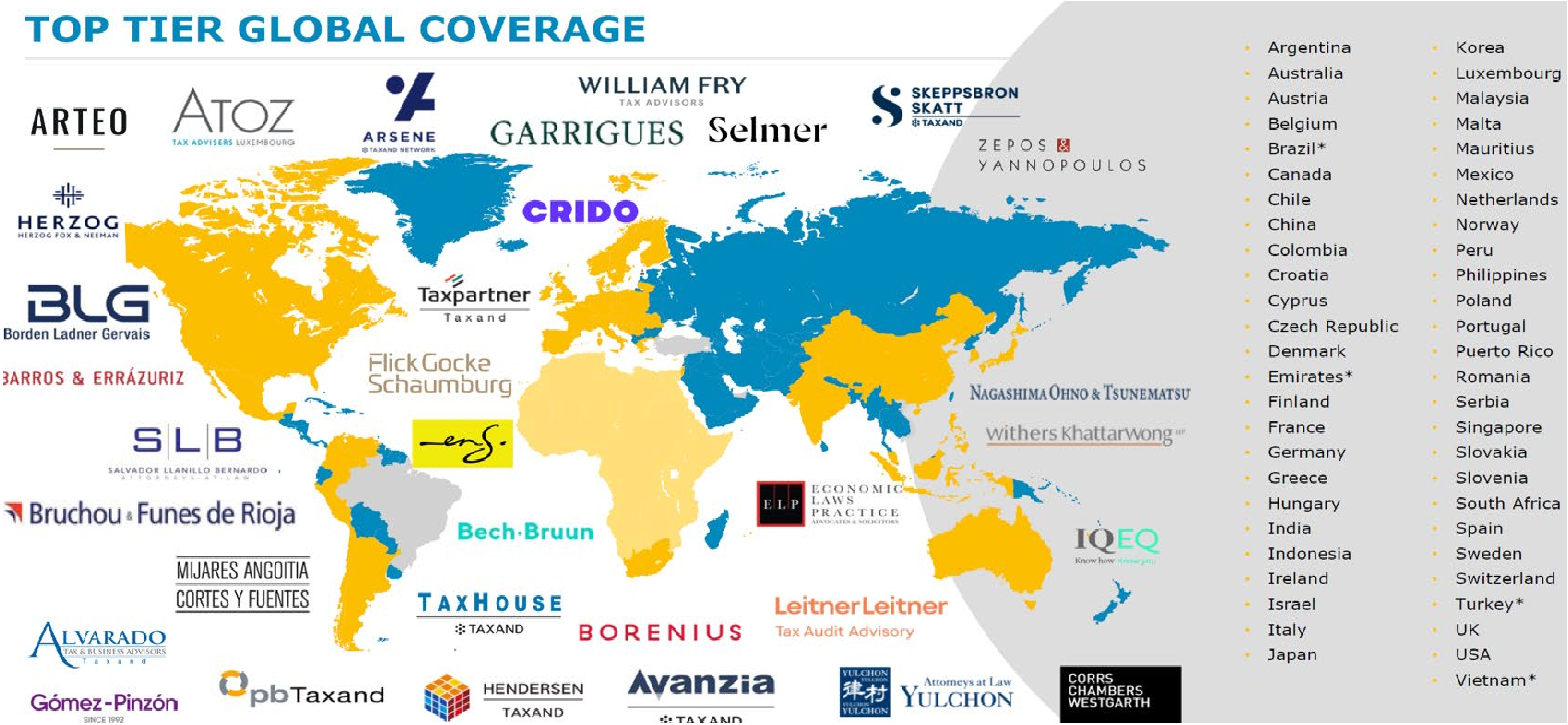


The figures provided above are sourced from our **Strategic Review 2022/23**, the latest 2024 Chambers rankings across Global, European, Asian and LatAm guides show further Taxand growth with member firms from **25 countries** ranked for Tax and **69 practitioners** recognised for their tax expertise.

Legal 500, 2024, rankings across 4 guides: APAC, EMEA, LATAM and Canada, with a total of 143 lawyers featured in Legal 500 firm profiles; member firms from 25 countries ranked for Tax by Legal 500 of which 18 are ranked Tier 1.

In 2023, ITR shortlisted Taxand member firms for over **80 awards** across the Americas, EMEA and APAC regions and at September's awards ceremony in London, **Taxand won 19 awards**.

GLOBAL COVERAGE



SERVICES

Pillar 2	Energy tax	Financial services tax	Indirect tax	M&A tax	Private client services	Real estate tax	Tax disputes resolution	TP & business restructuring

- Providing high quality advice that addresses your strategic concerns and improves your bottom line by:
- Understanding and managing the tax consequences of cross-border tax transactions
- Considering organisational (re)structuring options in full awareness of the tax implications
- Realising tax, supply chain and overall operational efficiencies
- Interpreting technical tax provisions
- Lowering effective tax rates
- Addressing and preventing tax leakages
- Ensuring tax compliance
- Managing relationships with tax authorities

Awards

World Tax 2024

Rankings

Tax

Tier 1
Deloitte
Elias Neocleous & Co
EY
KPMG
PwC
Taxand Cyprus
Tier 2
Baker Tilly South East Europe
Chrysses Demetriades & Co
Consulco
Dr K Chrysostomides & Co
Tier 3
C Savva & Associates
Grant Thornton
Michael Kyprianou & Co

Tax controversy

Tier 1
Chrysses Demetriades & Co
Elias Neocleous & Co
Tier 2
Taxand Cyprus

ITR WORLD TAX TOP TIER FIRM [2022]

ITR WORLD TAX TOP TIER FIRM [2023]

ITR WORLD TAX TOP TIER FIRM [2024]

Dedicated tax firm Taxand Cyprus covers all tax practices such as compliance and contentious, with dedicated partners specialising in various tax areas. The team has partners leading each tax area and sectors such as real estate.

It is a member of the Taxand network with firms in more than 50 locations worldwide.

WORLD TAX