



**BRUSSELS | 22 NOVEMBER 2021**

## **US House Approves Minimum Corporate Tax Legislation**

The United States House of Representatives approved on Friday President Biden's Build Back Better Act ([H.R. 5376](#)), a comprehensive legislation which also includes provisions relating to the OECD global tax agreement. The bill was passed with a narrow margin in favour ([220-213](#)), with Representatives voting largely on party lines. The Build Back Better Act imposes a 15% minimum tax on the profits of certain MNEs with profits exceeding \$1 billion (S-corporations excluded), and the tax would be payable on adjusted financial statement income for the year over the amount of its corporate AMT foreign tax credit, the US Journal of Accountancy [reported](#). The Build Better Back Act includes a large relief and infrastructure support package amounting to \$1.75 trillion, being the largest social support legislation in the recent US history. The act still requires Senate approval to be enacted into law.

Pascal Saint-Amans, Director of the OECD Centre for Tax Policy and Administration, [said last week](#) that the arrangement might be fiscally favourable for the US, and that the OECD negotiators had in mind the US Senate ratification, which is the reason why they built in a mechanism to make US passing a 'no brainer'. 'There is a serious chance of success', Mr Saint-Amans said.

In the interim, BIAAC, a group representing business stakeholder interests at the OECD, have written a [letter](#) calling on the Working Parties and the OECD to include non-governmental players such as BIAAC in the process of implementation with 'technical and practical help', now that the policy choices have been made

and finalised. Contending that the global tax reform project is a historic one with multiple impacts, BIAC argues that not only tax technical questions matter, but also large macroeconomic issues concerning trade, investment, jobs and growth.

"Business at OECD Tax Committee and the BAGs stand ready to offer practical and technical advice to the TFDE and WP11 that we hope will result in the Project restoring stability and certainty to the international tax system for all stakeholders. The past several months have been, we believe, an aberration. We, thus, look forward to restoring a relationship where – to be very clear – you make the policy calls, but where we can advise on ways of designing rules that embody those policies which will carry the greatest chance of consistent and successful implementation.", BIAC's letter to the OECD states.

## EU Tax Observatory: New Report on Tax Competition

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The EU Tax Observatory has now published its third [report](#) entitled "New Forms of Tax Competition in the European Union: An Empirical Investigation". The report focuses on the tax and special schemes for new tax residents, reviews the evolution of carbon prices in G20 countries between 2018 and 2021 and estimates carbon pricing resulting from carbon taxes, emissions trading systems, and fuel excise taxes. Based on empirical analysis of personal and corporate tax competition in the EU, the reports finds that tax competition increasingly takes the form of preferential or narrowly-targeted tax regimes on top of general rate cuts.

The report will be followed by a conference on EU tax competition, scheduled for 30 November. More detail, including registration possibilities, is available on the following [link](#).

## CFE Conference on "Professional Judgment in Tax Planning" on 25 November 2021

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Register [now](#) to secure your place for the 14th European Conference on Tax Advisers' Professional Affairs, to be held virtually on Thursday, 25 November 2021 from 10:00AM to 12:00PM CET, on the topic of "*Professional Judgment in Tax Planning - An Ethics Quality Bar for All Tax Advisers*".

Speakers from a wide range of stakeholder perspectives (European Commission, European Parliament, IESBA, Business Europe, Accountancy Europe, CFE member organisations and tax practice) will examine issues raised in the [discussion paper](#) published by CFE seeking to promote ethical professional judgment across all tax advisers in Europe, through the proposed "ethics quality bar" contained in the paper, based on five questions that all tax advisers should reflect on when undertaking their advisory role in the overall tax system. Panellists will consider whether the quality bar can help to steer all advisers in the direction of an appropriate balance between the rights and obligations of taxpayers, avoiding abusive planning. Registration for the event is possible via this [link](#).

## Global Forum 2021 Annual Report & Plenary

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The OECD and the Global Forum held an online plenary meeting from 17-19 November, focusing on the [10th anniversary of the capacity-building programme](#), and the role of multilateral co-operation in transparency and exchange of information to support a fair and inclusive recovery. Further discussions took stock of the Global Forum work streams (Automatic Exchange of Financial Account Information, Exchange of Information on Request, Confidentiality and Data Safeguards, Task Force on Risk) and looked at future challenges for the Global Forum.

At the occasion of the publication of the Global Forum Annual Report, María José Garde, Chair of the Global Forum said: "While the intensity of the COVID-19 pandemic has subsided in many jurisdictions, it continues to pose challenges for the Global Forum and its members. Fostering a sense of unity and mutual support, based on a shared purpose, has become even more critical. I want to thank all our members for stepping up to these challenges and continuing to drive

forward the delivery of our shared objectives. The 10th anniversary of the Global Forum's capacity-building programme is an important milestone to be celebrated and I know that many of our members have directly benefited from our work. Long may it continue!", Mrs María José Garde said.

## AMCHAM Global Business Tax Update Conference - 30 November 2021

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On 30 November 2021 at 18:30CET the AMCHAM Tax Committee will host a virtual [Global Business Tax Update](#) conference, examining the issues of global tax harmonisation, minimum taxation and increases in business taxation post-COVID-19. The featured speakers include: Bob Stack (Deloitte), Aleksandar Ivanovski (CFE Tax Advisers Europe), Pierre- Antoine Klethi (Loyens & Loeff Luxembourg) and Gregory Jullien (Deloitte). The guest speakers will discuss the OECD global tax agreement and other EU and US tax policy developments, issues which constitute perhaps the most serious challenge to the restoration of business prosperity during this currently beginning period of business recovery.

The conference will be moderated by Bernard David from Deloitte, AMCHAM's Tax Committee Chairperson. The conference will take place via Zoom, and is free of charge for registered attendees. Registration is possible via this [link](#).

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