

Sweden

Sweden has met all aspects of the terms of reference (OECD, 2021^[3]) (ToR) for the calendar year 2020 (year in review), and no recommendations are made.

In the prior year report, as well as in the 2016, 2017 and 2018 peer reviews, Sweden had received one recommendation for identifying all potential exchange jurisdictions for future rulings (ToR I.A.2.1). During the year in review, Sweden has resolved this issue and therefore the recommendation is now removed.

Sweden can legally issue three types of rulings within the scope of the transparency framework.

In practice, Sweden issued rulings within the scope of the transparency framework as follows:

Type of ruling	Number of rulings
Past rulings	28
Future rulings in the period 1 April 2016 – 31 December 2016	5
Future rulings in the calendar year 2017	3
Future rulings in the calendar year 2018	6
Future rulings in the calendar year 2019	1
Future rulings in the year in review	1

No peer input was received in respect of the exchanges of information on rulings received from Sweden.

A. The information gathering process (ToR I.A)

1082. Sweden can legally issue the following three types of rulings within the scope of the transparency framework: (i) preferential regimes;¹ (ii) permanent establishment rulings; and (iii) related party conduit rulings.

Past rulings (ToR I.A.1.1, I.A.1.2, I.A.2.1, I.A.2.2)

1083. For Sweden, past rulings are any tax rulings within scope that are issued either: (i) on or after 1 January 2014 but before 1 April 2016; or (ii) on or after 1 January 2010 but before 1 January 2014, provided they were still in effect as at 1 January 2014.

1084. In the prior years' peer review reports, it was determined that Sweden's undertakings to identify past rulings and all potential exchange jurisdictions were sufficient to meet the minimum standard. Sweden's implementation in this regard remains unchanged, and therefore continues to meet the minimum standard.

Future rulings (ToR I.A.1.1, I.A.1.2, I.A.2.1)

1085. For Sweden, future rulings are any tax rulings within scope that are issued on or after 1 April 2016.

1086. In the prior years' peer review reports, Sweden was recommended to amend its rulings practice in order to be able to identify all potential exchange jurisdictions for future rulings (ToR I.A.2.1).

1087. During the year in review, the Swedish Parliament approved legislation on 21 October 2020, taking effect from 1 December 2020 that addresses the requirements under the Action 5 transparency framework for all three types of rulings Sweden can legally issue. As it has been determined that answers to external legal questions can also constitute rulings within the scope of the Action 5 transparency framework, the Swedish Tax Agency (STA) has also amended its ruling practice by issuing internal guidance. In accordance with this legislation and internal guidance, taxpayers (other than natural persons) applying for a ruling, or asking an external legal question that may result in a ruling, now have to submit their jurisdiction of residence, as well as those of their immediate parent company, ultimate parent company, head offices, ultimate beneficial owners and other legal persons that are likely to be affected by the ruling. To ensure compliance, the new legislation includes penalties. The STA also organised workshops for employees who work with written legal answers and appointed additional employees to analyse if an answer to an external legal question may result in a ruling and to require the taxpayers to submit the abovementioned information when needed. As such, the STA will be able to identify all potential exchange jurisdictions regarding future rulings, and therefore, the prior year recommendation is removed.

Review and supervision (ToR I.A.3)

1088. In the prior years' peer review reports, it was determined that Sweden's review and supervision mechanism was sufficient to meet the minimum standard. Sweden's implementation in this regard remains unchanged, and therefore continues to meet the minimum standard.

Conclusion on section A

1089. Sweden has met all of the ToR for the information gathering process and no recommendations are made.

B. The exchange of information (ToR II.B)

1090. Sweden has international agreements permitting spontaneous exchange of information, including being a party to (i) the *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011^[4]) (“the Convention”), (ii) the Directive 2011/16/EU with all other European Union Member States, (iii) the Nordic Convention on Assistance in Tax Matters and (iv) bilateral agreements in force with 67 jurisdictions.²

1091. For the year in review, the timeliness of exchanges is as follows:

Future rulings within the scope of the transparency framework	Number of exchanges transmitted within three months of the information becoming available to the competent authority or immediately after legal impediments have been lifted	Delayed exchanges		
		Number of exchanges transmitted later than three months of the information on rulings becoming available to the competent authority	Reasons for the delays	Any other comments
	3	0	N/A	N/A

Follow up requests received for exchange of the ruling	Number	Average time to provide response	Number of requests not answered
	0	N/A	N/A

1092. In the prior years’ peer review reports, it was determined that Sweden’s process for the completion and exchange of templates were sufficient to meet the minimum standard. With respect to past rulings, no further action was required from Sweden. Sweden’s implementation in this regard remains unchanged and therefore continues to meet the minimum standard.

1093. Sweden has the necessary legal basis for spontaneous exchange of information, a process for completing the templates in a timely way and has completed all exchanges. Sweden has met all of the ToR for the exchange of information process and no recommendations are made.

C. Statistics (ToR IV)

1094. The statistics for the year in review are as follows:

Category of ruling	Number of exchanges	Jurisdictions exchanged with
Ruling related to a preferential regime	0	N/A
Permanent establishment rulings	<i>De minimis</i> rule applies	N/A
Related party conduit rulings	0	N/A
<i>De minimis</i> rule	3	N/A
Total	3	

D. Matters related to intellectual property regimes (ToR I.A.1.3)

1095. Sweden does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015^[1]) were imposed.

Summary of recommendations on implementation of the transparency framework

Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
	No recommendations are made.

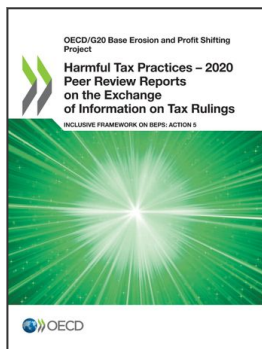
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- OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264241190-en>. [1]
- OECD (ed.) (2017b), *Harmful Tax Practices - 2017 Progress Report on Preferential Regimes*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264283954-en>. [2]
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Notes

¹ With respect to the following preferential regime: Tonnage tax regime.

² Participating jurisdictions to the Convention are available here: www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm. Parties to the Nordic Convention on Assistance in Tax Matters are Denmark, Faroe Islands, Finland, Iceland, Norway and Sweden. Sweden also has bilateral agreements with Albania, Argentina, Armenia, Australia, Austria, Barbados, Belarus, Belgium, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Canada, Chile, China (People's Republic of), Croatia, Czech Republic, Egypt, Estonia, France, Georgia, Germany, Greece, Hungary, India, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Kazakhstan, Kenya, Korea, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mauritius, Mexico, Montenegro, Namibia, Netherlands, New Zealand, Nigeria, North Macedonia, Pakistan, Poland, Portugal, Romania, Russia, Saudi Arabia, Serbia, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sri Lanka, Switzerland, Thailand, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Kingdom, United States, Viet Nam and Zambia.



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