

Peru

1. Peru was first reviewed during the 2017/2018 peer review. This report is supplementary to Peru's 2017/2018 peer review report (OECD, 2018^[1]). The first filing obligation for CbC reporting in Peru commences in respect of periods commencing on or after 1 January 2017.

Summary of key findings

2. Peru's implementation of the Action 13 minimum standard meets all applicable terms of reference (OECD, 2017^[2]), except that it is recommended that Peru take steps to have the necessary processes and written procedures in place to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework.

3. Peru's 2017/2018 peer review included a recommendation to Peru to take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites and with which it has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. Bilateral relationships are now in place so the recommendation is removed.

4. Peru's 2017/2018 peer review included a recommendation that Peru take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information. Peru is a non-reciprocal jurisdiction and, as such, will not receive CbC reports submitted to tax authorities in other jurisdictions, and will not apply local filing. As such, the recommendation is removed and it is not necessary for this peer review evaluation to reach any conclusion with respect to Peru's compliance with the terms of reference on appropriate use.

Part A: The domestic legal and administrative framework

5. Peru has primary¹ and secondary² laws in place to implement the BEPS Action 13 minimum standard, establishing the necessary requirements, including the filing and reporting obligations.

(a) Parent entity filing obligation

6. No changes were identified with respect to the parent entity filing obligation.

(b) Scope and timing of parent entity filing

7. No changes were identified with respect to the parent entity filing obligation.³

(c) Limitation on local filing obligation

8. No changes were identified with respect to the limitation on local filing obligation.⁴

(d) Limitation on local filing in case of surrogate filing

9. No changes were identified with respect to the limitation on local filing in case of surrogate filing.

(e) Effective implementation

10. No changes were identified with respect to the limitation on local filing in case of surrogate filing.^{5 6}

Conclusion

11. There is no change to the conclusion in relation to the domestic legal and administration framework for Peru since the previous peer review. Peru meets all the terms of reference relating to the domestic legal and administrative framework.

Part B: The exchange of information framework***(a) Exchange of information framework***

12. Peru's 2017/2018 peer review included a recommendation to Peru to take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites. Bilateral relationships are now in place so the recommendation is removed.

13. As of 31 May 2019, Peru has 45 bilateral relationships in place for the exchange of CbC reports, including those activated under the CbC MCAA. Within the context of its international exchange of information agreements that allow automatic exchange of tax information, Peru has taken steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that currently meet the confidentiality, consistency and appropriate use conditions. Regarding Peru's exchange of information framework, no inconsistencies with the terms of reference were identified.⁷

(b) Content of information exchanged

14. Peru does not have yet processes in place that are intended to ensure that each of the mandatory fields of information as required in the CbC template are present in the information exchanged.

(c) Completeness of exchanges

15. Peru does not have yet processes in place that are intended to ensure that CbC reports are exchanged with all tax jurisdictions listed in Table 1 of a CbC reporting template with which it should exchange information as per the relevant QCAAs.

(d) Timeliness of exchanges

16. Peru does not have yet processes in place that are intended to ensure that the information to be exchanged is transmitted to the relevant jurisdictions in accordance with the timelines provided for in the relevant QCAAs and terms of reference.

(e) Temporary suspension of exchange or termination of QCAA

17. Peru does not have yet processes in place that are intended to ensure that a temporary suspension of the exchange of information or termination of a relevant QCAA be carried out only as per the conditions set out in the QCAA.

(f) Consultation with other Competent Authority before determining systemic failure or significant non-compliance

18. Peru does not have yet processes in place that are intended to ensure that the Competent Authority consults with the other Competent Authority prior to making a determination that there is or has been significant non-compliance with the terms of the relevant QCAA or that the other Competent Authority has caused a systemic failure.

(g) Format for information exchange

19. Peru confirms that it uses the OECD XML Schema and User Guide (OECD, 2017^[3]) for the international exchange of CbC reports.

(h) Method for transmission

20. Peru indicates that it intends to use the Common Transmission System to exchange CbC reports.

Conclusion

21. Peru does not yet have in place the necessary processes and written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework. It is recommended that Peru take steps to implement such processes and written procedures.

Part C: Appropriate use

22. Peru's 2017/2018 peer review included a recommendation that Peru take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information. Since Peru is included on the list of non-reciprocal jurisdictions, Peru will not receive CbC reports submitted to tax authorities in other jurisdictions, and will not apply local filing. As such, the recommendation with respect to appropriate use issued in the 2017/2018 peer review is removed.

Conclusion

23. Peru's 2017/2018 peer review included a recommendation that Peru take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information. Peru is a non-reciprocal jurisdiction and, as such, will not receive CbC reports submitted to tax authorities in other jurisdictions, and will not apply local filing. As such, the recommendation is removed and it is not necessary for this peer review evaluation to reach any conclusion with respect to Peru's compliance with the terms of reference on appropriate use.

Summary of recommendations on the implementation of country-by-country reporting

Aspect of the implementation that should be improved		Recommendation for improvement
Part A	Domestic legal and administrative framework	-
Part B	Exchange of information framework	it is recommended that Peru take steps to have the necessary processes and written procedures in place to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework
Part C	Appropriate use	-

Notes

¹ Peru's Primary law consists of article 32-A of the Income Tax Law (modified by Legislative Decree No. 1,312/2016).

² Secondary law consists of articles 116, 117 and 118, as well its related complementary provisions of the regulation of the Income Tax Law, through No. 333-2017-EF supreme decree.

³ The deadline for submitting CbC was established by SUNAT through superintendence resolution No. 163/2018. CbC reports will be filed within 12 months after the end of the period to which the CbC report of the MNE Group relates.

⁴ Peru has deferred the first filing deadline in cases subject to local filing, pursuant to SUNAT resolution No. 264-2018. The measure provides transitional relief from local filing for fiscal year 2017 in cases involving the absence of a QCAA in effect for 2017.

⁵ SUNAT affirms it will start on January 2019 a manual process oriented to identify UPEs that do not accomplish with the filing obligation.

⁶ Peru's 2017/2018 peer review included a monitoring point relating to the absence of specific processes in place that would allow Peru to take appropriate measures in case it is notified by another jurisdiction that such other jurisdiction has reason to believe that an error may have led to incorrect or incomplete information reporting by a Reporting Entity or that there is non-compliance of a Reporting Entity with respect to its obligation to file a CbC report. This aspect will be further monitored once the actual exchanges of CbC reports will commence. This monitoring point remains in place.

⁷ No inconsistency with the terms of reference will be identified where a QCAA is not in effect with one or more jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions, but this is due to circumstances that are not under the control of the reviewed jurisdiction. This may include, for example, where the other jurisdiction intends to exchange CbC reports using the MCAA but it does not have the Convention in effect for the relevant fiscal period, or where the other jurisdiction has declined to have a QCAA in effect with the reviewed jurisdiction.



From:

Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2)

Inclusive Framework on BEPS: Action 13

Access the complete publication at:

<https://doi.org/10.1787/f9bf1157-en>

Please cite this chapter as:

OECD (2019), “Peru”, in *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2): Inclusive Framework on BEPS: Action 13*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/183950dd-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.