

Seychelles

1. The Seychelles was first reviewed during the 2017/2018 peer review. This report is supplementary to the Seychelles' 2017/2018 peer review report (OECD, 2018^[1]). The first filing obligation for a CbC report in the Seychelles applies to reporting fiscal years ending on or after the 31 December 2019.

Summary of key findings

2. The Seychelles' implementation of the Action 13 minimum standard meets all applicable terms of reference (OECD, 2017^[2]).
3. The recommendation in the 2017/18 peer review, that the Seychelles finalise its domestic legal and administrative framework in relation to CbC requirements as soon as possible, is removed.

Part A: The domestic legal and administrative framework

4. The Seychelles has primary law in place to implement the BEPS Action 13 minimum standard¹, establishing the necessary requirements including the filing and reporting obligations.

(a) Parent entity filing obligation

5. The Seychelles has primary law which imposes a CbC filing obligation on Ultimate Parent Entities of MNE Groups which have a consolidated group revenue above a certain threshold, whereby all required Constituent Entities of the MNE Group are included in the CbC report and no entity is excluded from CbC Reporting other than permitted by the Action 13 report (OECD, 2015).²

6. No inconsistencies were identified with respect to the Seychelles' domestic legal framework in relation with the parent entity filing obligation.

(b) Scope and timing of parent entity filing

7. The first filing obligation for a CbC report in the Seychelles commences in respect of fiscal years ending on or after 31 December 2019. The CbC report must be filed within 12 months of the last day of the fiscal year of the MNE Group.

8. No inconsistencies were identified with respect to the scope and timing of parent entity filing.

(c) Limitation on local filing obligation

9. The Seychelles does not have a local filing requirement.

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

10. The Seychelles does not have a local filing requirement.

(e) Effective implementation

11. The Seychelles has legal mechanisms in place to enforce compliance with the minimum standard: there are notification requirements in place that apply to the Seychelles entities. There are also penalties in place in relation to the non-filing or inaccurate filing of a CbC report.

12. The Seychelles does not have a process 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. As no exchange of CbC reports has yet occurred no recommendation is made but this aspect will be further monitored.

Conclusion

13. The Seychelles meets all the terms of reference with regard to its domestic and legal framework.

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

14. As of 31 May 2019, the Seychelles has no bilateral relationships in place for the exchange of CbC reports. It is recommended that the Seychelles take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which the Seychelles has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

(b) Content of information exchanged

15. The Seychelles does not have processes or written procedures in place that are intended to ensure that each of the mandatory fields of information required in the CbC reporting template are present in the information exchanged.

(c) Completeness of exchanges

16. The Seychelles does not have processes or written procedures in place that are intended to ensure that CbC reports are exchanged with all tax jurisdictions listed in Table 1 of a CbC report with which it should exchange information as per the relevant QCAA.

(d) Timeliness of exchanges

17. The Seychelles does not have processes or written procedures 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 QCAs and terms of reference.

(e) Temporary suspension of exchange or termination of QCAA

18. The Seychelles does not have processes or written procedures in place that are intended to ensure that a temporary suspension of the exchange of information or termination of a relevant QCAA would be carried out only as per the conditions set out in the relevant QCAA.

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

19. The Seychelles does not have processes or written procedures 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

20. The Seychelles has not confirmed the format that will be used for the international exchange of CbC reports.

(h) Method for transmission

21. The Seychelles has not indicated that it uses the Common Transmission System, or any other mechanism, to exchange CbC reports.

Conclusion

22. It is recommended that the Seychelles take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which the Seychelles has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. This recommendation remains unchanged since the 2017/2018 peer review.

23. Further, it is recommended that the Seychelles take steps to implement processes or 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 ahead of its first exchanges of information. It is however noted that the Seychelles will not be exchanging CbC reports in 2019.

Part C: Appropriate use

24. The Seychelles does not yet have measures in place relating to appropriate use. No changes were identified in respect of appropriate use. The recommendation in the 2017/2018 peer review for the Seychelles to take steps to have measures in place relating to appropriate use ahead of the first exchanges of information remains in place.

Conclusion

25. There is no change to the conclusion in relation to the appropriate use for the Seychelles since the previous peer review. The recommendation for the Seychelles to take steps to ensure that the appropriate use condition is met ahead of its first exchanges of information remains in place. It is however noted that the Seychelles will not be exchanging CbC reports in 2019.

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 the Seychelles take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which the Seychelles has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.
Part B	Exchange of information framework	It is recommended that the Seychelles take steps to implement the necessary processes or 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.
Part C	Appropriate use	It is recommended that the Seychelles take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.

Note

¹ <https://www.src.gov.sc/resources/SI/2019/SI25of2019.pdf>.

² See sections 37(1) of the Amendment.



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