

## Belgium

1. Belgium was first reviewed during the 2017/2018 peer review. This report is supplementary to Belgium's 2017/2018 peer review report (OECD, 2018<sup>[1]</sup>). The first filing obligation for a CbC report in Belgium commenced in respect of periods commencing on or after 1 January 2016.

### Summary of key findings

2. Belgium's implementation of the Action 13 minimum standard meets all applicable terms of reference (OECD, 2017<sup>[2]</sup>).

### Part A: The domestic legal and administrative framework

3. Belgium has primary law and secondary laws<sup>1</sup> in place to implement the BEPS Action 13 minimum standard, establishing the necessary requirements, including the filing and reporting obligations. Guidance has also been published.<sup>2</sup>

#### *(a) Parent entity filing obligation*

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

#### *(b) Scope and timing of parent entity filing*

5. No changes were identified with respect to the scope and timing of parent entity filing.

#### *(c) Limitation on local filing obligation*

6. No changes were identified with respect to the limitation on local filing obligation. Belgium's 2017/2018 peer review included a monitoring point<sup>3</sup> that remains in place.

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

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

#### *(e) Effective implementation*

8. Belgium reports an update in respect of a general monitoring point in its 2017/2018 peer review in relation to a specific process to that would allow it to take appropriate measures in case Belgium 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: in case the Belgian Competent Authority is notified that an error may have led to incorrect or incomplete information reporting or that there is non-compliance of a Reporting entity with respect to its filing obligation, the Belgian Competent Authority will contact the local tax office responsible for the management of the file of the Reporting entity and request that the appropriate measures

are taken.<sup>4</sup> In respect of this specific procedure, the monitoring point in Belgium's 2017/2018 peer review is removed. No other changes were identified with respect to the effective implementation.

### ***Conclusion***

9. There is no change to the conclusion in relation to the domestic legal and administration framework for Belgium since the previous peer review. Belgium 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***

10. As of 31 May 2019, Belgium has 67 bilateral relationships in place for the exchange of CbC reports, including those activated under the CbC MCAA, under bilateral CAAs and under the EU Council Directive (2016/881/EU). Within the context of its international exchange of information agreements that allow automatic exchange of tax information, Belgium 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 Belgium's exchange of information framework, no inconsistencies with the terms of reference were identified.<sup>5</sup>

### ***(b) Content of information exchanged***

11. Belgium has processes and written procedures 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. It has provided details in relation to these processes and written procedures.

### ***(c) Completeness of exchanges***

12. Belgium has processes and 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 reporting template with which it should exchange information as per the relevant QCAAs. It has provided details in relation to these processes and written procedures.

### ***(d) Timeliness of exchanges***

13. Belgium has processes and 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 QCAAs and terms of reference. It has provided details in relation to these processes and written procedures.

### ***(e) Temporary suspension of exchange or termination of QCAA***

14. Belgium has 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. It has provided details in relation to those processes.

15. No information or peer input was received for Belgium in relation to a temporary suspension of exchange or termination of a QCAA. There are no concerns to be reported in respect of the temporary suspension of exchange or termination of QCAA.

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

16. Belgium has 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. It has provided details in relation to those processes.

***(g) Format for information exchange***

17. Belgium confirms that it uses the OECD XML Schema and User Guide (OECD, 2017<sup>[3]</sup>) for the international exchange of CbC reports.

***(h) Method for transmission***

18. Belgium indicates that it uses the Common Transmission System to exchange CbC reports.<sup>6</sup>

***Conclusion***

19. Belgium has in place the necessary processes 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. Belgium meets all the terms of reference regarding the exchange of information.

## **Part C: Appropriate use**

20. No changes were identified in respect of appropriate use. There were no recommendations issued in the 2017/2018 peer review.

21. No information or peer input was received for the reviewed jurisdiction suggesting any issues with appropriate use. No concerns were reported in respect of appropriate use.

***Conclusion***

22. Belgium meets all the terms of reference relating to the appropriate use of CbC reports.

## 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	-
Part C	Appropriate use	-

### Notes

<sup>1</sup> Primary law consists of the [Program Law of 1 July 2016](#). Relevant articles start from page 10 under “Section 3. – Prix de transfert”. Secondary law consists of a Royal Decree of 28 October 2016 (relevant pages: 18-46 and 132-144).

<sup>2</sup> Guidance can be accessed by logging in to [www.fisconetplus.be](http://www.fisconetplus.be) and subsequently opening the following URL: [https://gcloudbelgium.sharepoint.com/sites/minfin-fisconet\\_public/fiscal-discipline/income-taxes/administrative-directives-and-comments/circular-letters/circular-letters-procedure/4d0cb7b9-14ef-4e43-ba9d-7edbdd1abcb5](https://gcloudbelgium.sharepoint.com/sites/minfin-fisconet_public/fiscal-discipline/income-taxes/administrative-directives-and-comments/circular-letters/circular-letters-procedure/4d0cb7b9-14ef-4e43-ba9d-7edbdd1abcb5)

<sup>3</sup> Relating to the rule according to which where there are more than one Constituent Entities of the same MNE Group that are resident for tax purposes in the EU, the MNE Group may designate one of such Constituent Entities to file the country-by-country report conforming to the requirements that would satisfy the filing requirement of all the Constituent Entities of such MNE Group that are resident for tax purposes in the EU.

<sup>4</sup> These appropriate measures are to contact the Reporting entity so as to obtain the correct information, respectively via a correction report (or as the case may be, an explanation as to why the initial information was indeed correct or complete) or an initial report. The received information is subsequently exchanged by the Competent Authority with all relevant jurisdictions. The procedure follows the standard procedure regarding feedback received from abroad. The Local Tax Centres were informed on the procedures and their role via a note. See art. 445, §3 of the BITC.

<sup>5</sup> 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.

<sup>6</sup> Countries exchanging under the EU Council Directive (2016/881/EU) use the Common Communication Network (CCN).



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