

Korea

1. Korea was first reviewed during the 2017/2018 peer review. This report is supplementary to Korea's 2017/2018 peer review report (OECD, 2018^[1]). The first filing obligation for a CbC report in Korea commences in respect of fiscal years commencing on or after 1 April 2016.

Summary of key findings

2. Korea's implementation of the Action 13 minimum standard meets all applicable terms of reference (OECD, 2017^[2]).

Part A: The domestic legal and administrative framework

3. Korea has primary and secondary 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

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 scope and timing of local filing obligations.

(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. No 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 Korea since the previous peer review. Korea 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, Korea has 65 bilateral relationships in place, including those activated under the CbC MCAA, and under bilateral CAAs. Within the context of its international exchange of information agreements that allow automatic exchange of information, Korea has taken steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions. Regarding Korea's exchange of information framework, no inconsistencies with the terms of reference were identified.

(b) Content of information exchanged

11. Korea has 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.

(c) Completeness of exchanges

12. Korea has an internal supervision mechanism in place 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

13. Korea has procedures in place 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

14. Korea 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.

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

15. Korea has 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

16. Korea 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

17. Korea indicates that it uses the Common Transmission System to exchange CbC reports.

Conclusion

18. Korea meets all of the terms of reference with regard to exchange of information.

Part C: Appropriate use

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

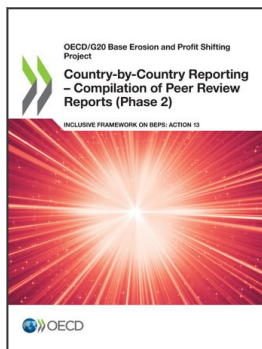
20. No information or peer input was received for the reviewed jurisdiction suggesting any issues with appropriate use.

Conclusion

21. Korea 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 – limitation on local filing obligation	-
Part B	Exchange of information framework	-
Part C	Appropriate use	-



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