

Angola

Angola has met all aspects of the terms of reference (OECD, 2021^[1]) (ToR) for the calendar year 2022 (year in review), except for identifying future rulings and all potential exchange jurisdictions (ToR I.A and for exchanging information on the tax rulings in a timely manner (ToR II.B). Angola receives two recommendations on these points for the year in review.

In the prior year report, as well as in the 2017-2020 peer reviews, Angola had received the same two recommendations. One recommendation has been partially addressed but remains in place for the other part and the other recommendation has not been addressed and remains in place.

Angola can legally issue five types of rulings within the scope of the transparency framework.

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

Type of ruling	Number of rulings
Past rulings	0
Future rulings in the period 1 April 2016 – 31 December 2016	1
Future rulings in the calendar year 2017	0
Future rulings in the calendar year 2018	0
Future rulings in the calendar year 2019	0
Future rulings in the calendar year 2020	0
Future rulings in the calendar year 2021	0
Future rulings in the year in review	2

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

Information gathering process (ToR I.A)

34. Angola can legally issue the following five types of rulings within the scope of the transparency framework: (i) preferential regimes;¹ (ii) cross-border unilateral APAs and any other cross-border unilateral tax rulings (such as an advance tax ruling) covering transfer pricing or the application of transfer pricing principles; (iii) rulings providing for unilateral downward adjustments; (iv) permanent establishment rulings; and (v) related party conduit rulings.

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

35. For Angola, past rulings are any tax rulings within scope that are issued either (i) on or after 1 January 2015 but before 1 April 2017; and (ii) on or after 1 January 2012 but before 1 January 2015, provided they were still in effect as at 1 January 2015.

36. In the prior years' peer review reports, it was determined that Angola had not yet identified all past rulings and potential exchange jurisdictions. During the year in review, Angola built an internal database that keeps track of all issued rulings. Angola confirms that there were no past rulings issued and therefore, no potential exchange jurisdictions needed to be identified. The previous years' recommendation is now removed.

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

37. For Angola, future rulings are any tax rulings within scope that are issued on or after 1 April 2017.

38. In the prior years' peer review reports, it was determined that Angola was following guidelines covering which rulings would fall within the scope of the transparency framework and what information should be kept in order to meet the level of detail required by the transparency framework.

39. In the prior year's peer review report, it was noted Angola started to identify all rulings that have been issued by the Angola Revenue Administration (AGT). During the year in review, Angola developed an internal database where all issued rulings are recorded. In accordance with internal procedures, the different departments within AGT send the identified rulings to the International Cooperation Department. This department is responsible for analysing whether the rulings fall within the scope of the transparency framework, and saves the rulings in the database. When issuing a ruling, the AGT requests the taxpayer for information, but not in all cases on the immediate parent, ultimate parent and related parties with which the taxpayer entered into a transaction with. Therefore, Angola is recommended to put in place a process of identifying potential exchange jurisdictions.

Review and supervision (ToR I.A.3)

40. In the prior years' peer review reports, it was determined that Angola did not yet have a review and supervision mechanism for past rulings under the transparency framework. During the year in review, Angola implemented a review and supervision mechanism for future rulings by requiring that the information on tax rulings be recorded in hard copy and electronically in spreadsheets with the name, date and topic of the information requested or issue being complained or appealed. The previous years' recommendation is now removed.

Conclusion on section A

41. Angola is recommended to finalise its information gathering process for identifying future rulings and all potential exchange jurisdictions as soon as possible (ToR I.A).

Exchange of information (ToR II.B)

Legal basis for spontaneous exchange of information (ToR II.B.1, II.B.2)

42. In the prior years' peer review reports, it was determined that Angola did not have the necessary domestic legal basis to exchange information spontaneously. Angola is still in the process of putting in place the necessary domestic legal basis to exchange information spontaneously.

43. Angola has international agreements permitting spontaneous exchange of information, including bilateral agreements in force with two jurisdictions.² Angola is not a party to the *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011^[2]) ("the Convention"). Angola is encouraged to continue its efforts to expand its international exchange of information instruments to be able to exchange information on rulings. It is noted, however, that jurisdictions are assessed on their compliance with the transparency framework in respect of the exchange of information network in effect for the year of the particular annual review.

Completion and exchange of templates (ToR II.B.3, II.B.4, II.B.5, II.B.6, II.B.7)

44. In the prior years' peer review reports, it was determined that Angola is still developing a process to complete the templates on relevant rulings, to make them available to the Competent Authority for exchange of information and to exchange them with relevant jurisdictions.

45. An information exchange unit was created to assume the role of the Competent Authority and Angola's tax offices are henceforth required to send reports to this unit. Angola notes that during the year in review, a process was put in place to require that the list of issued rulings is sent on a monthly basis to the Competent Authority. The Competent Authority is responsible for completing the template in Annex C of the BEPS Action 5 report (OECD, 2015^[3]). The summary section will be completed in line with the FHTP internal guidance. The information is sent to jurisdictions within three months after the Competent Authority received the list of issued rulings.

46. Angola is still in the process negotiating to obtain an electronic tool for the exchange of information. Angola confirms that until then, information is sent either hard copy or via an official encrypted channel agreed between the parties.

47. As Angola did not have the necessary legal basis to conduct exchanges, no data on the timeliness of exchanges can be reported.

Conclusion on section B

48. Angola is recommended to continue its efforts to put in place a domestic legal framework allowing spontaneous exchange of information on rulings and to complete the templates for all relevant rulings and to ensure that the exchanges of information on rulings occur as soon as possible (ToR II.B).

Statistics (ToR IV.D)

49. 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
Cross-border unilateral APAs and any other cross-border unilateral tax rulings (such as an advance tax ruling) covering transfer pricing or the application of transfer pricing principles	0	N/A
Cross-border rulings providing for a unilateral downward adjustment to the taxpayer's taxable profits that is not directly reflected in the taxpayer's financial / commercial accounts	0	N/A
Permanent establishment rulings	0	N/A
Related party conduit rulings	<i>De minimis rule applies</i>	N/A
<i>De minimis rule</i>	2	N/A
Total	2	

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

50. Angola does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015^[3]) 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
Angola has not yet finalised the steps to have in place its necessary information and gathering process.	Angola is recommended to finalise its information gathering process for identifying future rulings and all potential exchange jurisdictions as soon as possible. During the year in review, Angola built an internal database that keeps track of all issued rulings and confirmed there were no past rulings issued. In addition, Angola implemented a review and supervision mechanism for future rulings. This recommendation has been partly addressed but remains in place for the other part since the 2017, 2018, 2019, 2020 and 2021 peer review reports.
Angola has not yet finalised the steps to have effective compulsory spontaneous exchange of information on the tax rulings within the scope of the transparency framework	Angola is recommended to continue to put in place a domestic legal framework allowing spontaneous exchange of information on rulings and to continue its efforts to complete the templates for all relevant rulings and to ensure that the exchanges of information on rulings occur as soon as possible. This recommendation remains unchanged since the 2017, 2018, 2019, 2020 and 2021 peer review reports.

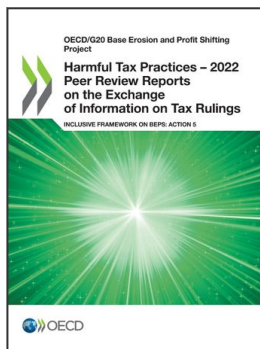
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- OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://doi.org/10.1787/9789264241190-en>. [3]
- OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264115606-en>. [2]

Notes

¹ A special tax regime for oil and gas.

² Angola has bilateral agreements with China (People's Republic of), Portugal and the United Arab Emirates.



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