

British Virgin Islands

1. The British Virgin Islands was reviewed as part of the 2017/2018 and the 2018/2019 peer reviews. This report is supplementary to those previous reports (OECD, 2019^[1]) (OECD, 2018^[2]).
2. The filing obligation for a CbC report in the British Virgin Islands applies to reporting fiscal years commencing on or after 1 January 2018.

Summary of key findings

3. The British Virgin Islands' legislative implementation of the Action 13 minimum standard meets all applicable terms of reference (OECD, 2017^[3]).
4. The British Virgin Islands' previous peer reviews included a recommendation that it take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which will meet the confidentiality, consistency and appropriate use prerequisites and with which the British Virgin Islands has international agreements which allow for the automatic exchange of tax information. Bilateral relationships are now in place so the recommendation is removed.
5. It is recommended that the British Virgin Islands 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. This recommendation remains unchanged since the 2018/2019 peer review.

Part A: The domestic legal and administrative framework

6. The British Virgin Islands meets all the terms of reference relating to the domestic legal and administrative framework.

(a) Parent entity filing obligation

7. No changes were identified.

(b) Scope and timing of parent entity filing

8. No changes were identified.

(c) Limitation on local filing obligation

9. No changes were identified.

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

10. No changes were identified.

(e) Effective implementation

11. No changes were identified¹

Conclusion

12. The British Virgin Islands 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

13. The British Virgin Islands' previous peer reviews included a recommendation that it take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which will meet the confidentiality, consistency and appropriate use prerequisites and with which the British Virgin Islands has international agreements which allow for the automatic exchange of tax information. Bilateral relationships are now in place so the recommendation is removed.

14. As of 31 March 2020 the British Virgin Islands has 46 bilateral relationships in place for the exchange of CbC reports, activated under the CbC MCAA. Within the context of its international exchange of information agreements that allow automatic exchange of tax information, the British Virgin Islands 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 the British Virgin Island's exchange of information framework, no inconsistencies with the terms of reference were identified.²

(b) Content of information exchanged

15. No changes were identified.

(c) Completeness of exchanges

16. No changes were identified.

(d) Timeliness of exchanges

17. No changes were identified.

(e) Temporary suspension of exchange or termination of QCAA

18. No changes were identified.

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

19. No changes were identified.

(g) Format for information exchange

20. No changes were identified.

(h) Method for transmission

21. No changes were identified.

Conclusion

22. The British Virgin Islands' previous peer reviews included a recommendation that it take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which will meet the confidentiality, consistency and appropriate use prerequisites and with which the British Virgin Islands has international

agreements which allow for the automatic exchange of tax information. Bilateral relationships are now in place so the recommendation is removed.

23. It is recommended that the British Virgin Islands 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. This recommendation remains unchanged since the 2018/2019 peer review.

Part C: Appropriate use

Appropriate use

24. No changes were identified.

Conclusion

25. The British Virgin Islands 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. It is not necessary for this peer review evaluation to reach any conclusion with respect to these paragraphs of the terms of reference.

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 British Virgin Islands 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 the first exchanges of information.
Part C	Appropriate use	-

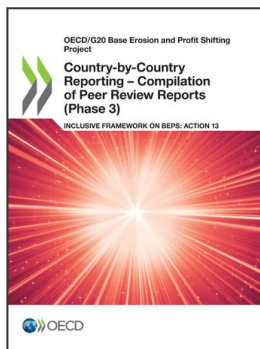
References

- OECD (2019), *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2): Inclusive Framework on BEPS: Action 13*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/f9bf1157-en>. [1]
- OECD (2018), *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 1): Inclusive Framework on BEPS: Action 13*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264300057-en>. [2]
- OECD (2017), *Terms of reference for the conduct of peer review of the Action 13 minimum standard on country-by-country reporting*, OECD Publishing, <https://www.oecd.org/tax/beps/beps-action-13-on-country-by-country-reporting-peer-review-documents.pdf>. [3]

Notes

¹ There are no specific process in place to take appropriate measures in case the British Virgin Islands 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.

² 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.



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