

Angola

Angola has met all aspects of the terms of reference (OECD, 2017^[3]) (ToR) for the calendar year 2019 (year in review), except for identifying all past and future rulings and all potential exchange jurisdictions with a review and supervision mechanism (ToR I.4) and exchanging information on the tax rulings in a timely manner (ToR II.5). Angola receives two recommendations on this point for the year in review.

In the prior year report, as well as in the 2017 peer review, Angola had received the same two recommendations. As they have not been addressed, the recommendations remain 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:

- No past rulings;
- For the period 1 April 2017 - 31 December 2017: one future ruling;
- For the calendar year 2018: no future rulings, and
- For the calendar year in review: no future rulings

As no exchanges took place, no peer input was received in respect of the exchanges of information on rulings received from Angola.

A. The information gathering process

18. Angola can legally issue the following five types of rulings within the scope of the transparency framework: (i) preferential regimes; (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.4.1.1, I.4.1.2, I.4.2.1, I.4.2.2)

19. 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.

20. In the prior years' peer review reports, it was determined that Angola has not recorded the information on the tax rulings issued with the necessary level of detail to meet the standard of the transparency framework and that the necessary information on past rulings is unlikely to be found on the available records. Angola noted that it would seek to apply the best efforts approach once all past rulings have been identified. Therefore, Angola was recommended to finalise its information gathering process for identifying all past rulings and potential exchange jurisdictions.

21. During the year in review, no additional implementation steps were taken.

Future rulings (ToR I.4.1.1, I.4.1.2, I.4.2.1)

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

23. In the prior years' peer review reports, it was determined that Angola was following guidelines covering which rulings would fall in 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. Angola noted that it is developing a new system to record and track all future rulings in order to be able to conduct an effective analysis of future rulings issued.

24. During the year in review, no additional implementation steps were taken.

Review and supervision (ToR I.4.3)

25. 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. Angola started to implement 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. However, during the year in review, no additional implementation steps were taken.

Conclusion on section A

26. Angola is recommended to finalise its information gathering process for identifying all past and future rulings and all potential exchange jurisdictions, with a review and supervision mechanism, as soon as possible (ToR I.4).

B. The exchange of information

Legal basis for spontaneous exchange of information (ToR II.5.1, II.5.2)

27. Angola is currently in the process of putting in place the necessary domestic legal basis to exchange information spontaneously. Angola has already reviewed and approved its general tax code, which includes a clause that allows the Angolan Revenue Administration to gather information from taxpayers and exchange with other jurisdictions. Angola has a bilateral agreement in force with one jurisdiction.¹ Angola is not a Party to *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011^[4]) (“the Convention”). Angola is encouraged to continue its efforts to expand its international exchange of information instruments to be able to exchange rulings. It is however noted 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.5.3, II.5.4, II.5.5, II.5.6, II.5.7)

28. 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. Angola explained that an information exchange unit had been recently created to assume the role of the Competent Authority and legislation and procedures for the functioning of the unit are being developed.

29. During the year in review, Angola was negotiating to obtain an electronic tool for the exchange of information.

30. 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

31. 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 (ToR II.5).

C. Statistics (ToR IV)

32. As no rulings were issued, no statistics can be reported.

D. Matters related to intellectual property regimes (ToR I.4.1.3)

33. Angola does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015^[1]) were imposed.

Summary of recommendations on implementation of the transparency framework

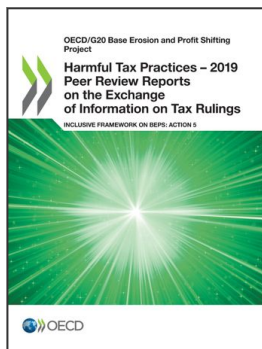
Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
Angola has not yet finalised the steps to have in place its necessary information and gathering process.	Angola is recommended to finalise its information gathering process for identifying all past and future rulings and all potential exchange jurisdictions, with a review and supervision mechanism, as soon as possible. This recommendation remains unchanged since the 2017 and 2018 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 and 2018 peer review reports.

References

- OECD (2017), *BEPS Action 5 on Harmful Tax Practices - Terms of Reference and Methodology for the Conduct of the Peer Reviews of the Action 5 Transparency Framework*, OECD Publishing, Paris, <http://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>. [3]
- 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://dx.doi.org/10.1787/9789264241190-en>. [1]
- OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264115606-en>. [4]

Notes

¹ Angola has a bilateral agreement with Portugal.



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