

Jordan

Jordan has met all aspects of the terms of reference (OECD, 2017^[3]) (ToR) for the calendar year 2018 (year in review) that can be met in the absence of rulings being issued.

In the prior year report, Jordan did not receive any recommendations.

Jordan does not issue any type of rulings within the scope of the transparency framework. Jordan issues “circulars” and “opinion statements” which give a general clarification with respect the interpretation and application of the tax legislation per specific taxpayer. Since these documents are very general and not legally binding on the tax administration, these tax opinions are not rulings as defined in the Action 5 report (OECD, 2015). During the year in review, Jordan clarified that theoretically, there is no legal impediment for Jordan to issue rulings, but in practice Jordan does not issue any rulings. In the event that Jordan put in place the administrative process to issue rulings, Jordan would be asked to implement the transparency framework obligations.

As no exchanges were required to take place, no peer input was received in respect of the exchanges of information on rulings received from Jordan.

Introduction

This peer review covers Jordan's implementation of the BEPS Action 5 transparency framework for the year 2018. The report has four parts, each relating to a key part of the ToR. Each part is discussed in turn. A summary of recommendations is included at the end of this report.

A. The information gathering process

As no rulings are issued, this section is not assessed.

B. The exchange of information

As no rulings are issued, this section is not assessed.

D. Statistics (ToR IV)

As no rulings are issued, no statistics can be reported.

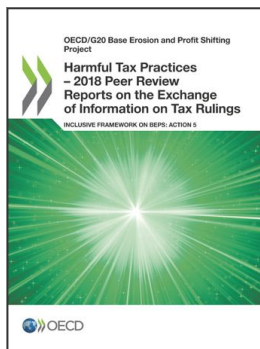
E. Matters related to intellectual property regimes (ToR I.4.1.3)

Jordan offers two intellectual property regimes (IP regime)¹ that are not subject to the transparency requirements under the Action 5 Report (OECD, 2015^[5]), because:

- **New entrants benefitting from the grandfathered IP regime:** not applicable for the year in review, because the Development zone was reported in the year 2018 as potentially harmful (and in July 2019 reported as actually harmful) and the Aqaba special economic zone as under review. Jordan is expected to amend or abolish these regimes and has not taken a decision yet on whether it will provide grandfathering to existing taxpayers. Should Jordan provide grandfathering to taxpayers for IP income benefits and that entered the regimes after the relevant date from which enhanced transparency obligations apply, transparency requirements will apply and this will be taken into account during the subsequent peer review.
- **Third category of IP assets:** not applicable to these regimes.
- **Taxpayers making the use of the option to treat the nexus ratio as a rebuttable presumption:** not applicable to these regimes.

Summary of recommendations on implementation of the transparency framework

Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
	No recommendations are made.



From:

Harmful Tax Practices – 2018 Peer Review Reports on the Exchange of Information on Tax Rulings Inclusive Framework on BEPS: Action 5

Access the complete publication at:

<https://doi.org/10.1787/7cc5b1a2-en>

Please cite this chapter as:

OECD (2020), “Jordan”, in *Harmful Tax Practices – 2018 Peer Review Reports on the Exchange of Information on Tax Rulings: Inclusive Framework on BEPS: Action 5*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/7dee62e6-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.