

Georgia

1. Georgia 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. There is no filing obligation for a CbC report in Georgia yet.

Summary of key findings

3. Georgia does not yet have legislation in place for implementing the BEPS Action 13 minimum standard. It is recommended that Georgia take steps to implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible. This recommendation remains unchanged since the 2017/2018 peer review.
4. It is recommended that Georgia take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites and with which they have an international exchange of information agreement in effect that allows for the automatic exchange of tax information. This recommendation remains unchanged since the 2017/2018 peer review.
5. It is recommended that Georgia 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 (OECD, 2017^[3]) relating to the exchange of information framework ahead of the first exchanges of information. This recommendation remains unchanged since the 2018/2019 peer review.
6. It is recommended that Georgia take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information. This recommendation remains unchanged since the 2017/2018 peer review.

Part A: The domestic legal and administrative framework

7. Georgia does not yet have legislation in place for implementing the BEPS Action 13 minimum standard. Georgia indicates that it is in the final stages of amending its Tax Code to provide the legal basis for CbC reporting and estimates that the amendments will come into effect during the year 2019.

(a) Parent entity filing obligation

8. No changes were identified.

(b) Scope and timing of parent entity filing

9. No changes were identified.

(c) Limitation on local filing obligation

10. No changes were identified.

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

11. No changes were identified.

(e) Effective implementation

12. No changes were identified.

Conclusion

13. It is recommended that Georgia take steps to implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible. This recommendation remains unchanged since the 2017/2018 peer review.

Part B: The exchange of information framework**(a) Exchange of information framework**

14. As of 31 March 2020, Georgia has no bilateral relationships in place for the exchange of CbC reports. It is recommended that Georgia take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Georgia has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

(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. It is recommended that Georgia take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Georgia has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. This recommendation remains unchanged since the 2017/2018 peer review.

23. It is recommended that Georgia take steps to implement the necessary 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. This recommendation remains unchanged since the 2018/2019 peer review.

Part C: Appropriate use

Appropriate use

24. No changes were identified.

Conclusion

25. It is recommended that Georgia take steps to ensure that the appropriate use condition is met ahead of its first exchanges of information remains in place. This recommendation remains unchanged since the 2017/2018 peer review.

Summary of recommendations on the implementation of Country-by-Country

| Aspect of the implementation that should be improved | | Recommendation for improvement |
|--|---|--|
| Part A | Domestic legal and administrative framework | It is recommended that Georgia take steps to implement a domestic legal and administrative framework to impose and enforce CbC requirements as soon as possible. |
| Part B | Exchange of information framework | It is recommended that Georgia take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites and with which they have an international exchange of information agreement in effect that allows for the automatic exchange of tax information. |
| Part B | Exchange of information framework | It is recommended that Georgia take steps to implement the necessary 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. |
| Part C | Appropriate use | It is recommended that Georgia take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information. |

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]



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