

# Estonia

Estonia has met all aspects of the terms of reference (OECD, 2021<sup>[1]</sup>) (ToR) for the calendar year 2022 (year in review), and no recommendations are made.

Estonia can legally issue two types of rulings within the scope of the transparency framework.

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

Type of ruling	Number of rulings
Past rulings	20
Future rulings in the period 1 April 2016 – 31 December 2016	8
Future rulings in the calendar year 2017	11
Future rulings in the calendar year 2018	9
Future rulings in the calendar year 2019	9
Future rulings in the calendar year 2020	7
Future rulings in the calendar year 2021	3
Future rulings in the year in review	9

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

## Information gathering process (ToR I.A)

396. Estonia can legally issue the following two types of rulings within the scope of the transparency framework: (i) permanent establishment rulings and (ii) related party conduit rulings.

397. For Estonia, past rulings are any tax rulings within scope that are issued either: (i) on or after 1 January 2014 but before 1 April 2016; or (ii) on or after 1 January 2010 but before 1 January 2014, provided they were still in effect as at 1 January 2014. Future rulings are any tax rulings within scope that are issued on or after 1 April 2016.

398. In the prior years' peer review reports, it was determined that Estonia's undertakings to identify past and future rulings and all potential exchange jurisdictions were sufficient to meet the minimum standard. In addition, it was determined that Estonia's review and supervision mechanism was sufficient to meet the minimum standard. Estonia's implementation remains unchanged, and therefore continues to meet the minimum standard.

399. Estonia has met all of the ToR for the information gathering process and no recommendations are made.

## Exchange of information (ToR II.B)

400. Estonia has the necessary domestic legal basis to exchange information spontaneously. Estonia notes that there are no legal or practical impediments that prevent the spontaneous exchange of information on rulings as contemplated in the Action 5 minimum standard.

401. Estonia has international agreements permitting spontaneous exchange of information, including: (i) the *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011<sup>[2]</sup>) ("the Convention"), (ii) the Directive 2011/16/EU with all other European Union Member States and (iii) bilateral agreements in force with 60 jurisdictions.<sup>1</sup>

402. For the year in review, the timeliness of exchanges is as follows:

Future rulings within the scope of the transparency framework	Number of exchanges transmitted within three months of the information becoming available to the competent authority or immediately after legal impediments have been lifted	Delayed exchanges		
		Number of exchanges transmitted later than three months of the information on rulings becoming available to the competent authority	Reasons for the delays	Any other comments
	5	4	See below	N/A

Follow-up requests received for exchange of the ruling	Number	Average time to provide response	Number of requests not answered
	0	N/A	N/A

403. The reason that four exchanges were not transmitted timely was because of a temporary lack of employees. Estonia confirms that new employees have been hired, and therefore, this was a temporary issue for which no recommendation needs to be made.

404. In the prior years' peer review reports, it was determined that Estonia's process for the completion and exchange of templates were sufficient to meet the minimum standard. With respect to past rulings, no further action was required from Estonia. Estonia's implementation in this regard remains unchanged and therefore continues to meet the minimum standard.

405. Estonia has the necessary legal basis for spontaneous exchange of information, a process for completing the templates in a timely way and has completed all exchanges. Estonia has met all of the ToR for the exchange of information process and no recommendations are made.

### Statistics (ToR IV.D)

406. The statistics for the year in review are as follows:

Category of ruling	Number of exchanges	Jurisdictions exchanged with
Permanent establishment rulings	<i>De minimis</i> rule applies	N/A
Related party conduit rulings	7	Denmark, Finland, Germany, Gibraltar, Latvia, Lithuania, Luxembourg, Poland, United States
<i>De minimis</i> rule	2	
<b>Total</b>	9	

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

407. Estonia does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015<sup>[3]</sup>) 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
	No recommendations are made.

## References

- OECD (2021), *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, <https://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>. [1]
- 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]

## Note

<sup>1</sup> Participating jurisdictions to the Convention are available here: [www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm](http://www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm). Estonia also has bilateral agreements with Albania, Armenia, Azerbaijan, Austria, Bahrain, Belarus, Belgium, Bulgaria, Canada, China (People's Republic of), Croatia, Cyprus, Czechia, Denmark, Finland, France, Georgia, Germany, Greece, Hungary, Hong Kong (China), Iceland, India, Ireland, Isle of Man, Israel, Italy, Japan, Jersey, Kazakhstan, Korea, Kyrgyzstan, Latvia, Lithuania, Luxembourg, Malta, Mexico, Moldova, Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, Serbia, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Thailand, Türkiye, Turkmenistan, Ukraine, United Arab Emirates, United Kingdom, United States, Uzbekistan and Viet Nam.



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