

Georgia

1. Georgia was first reviewed during the 2017/2018 peer review. This report is supplementary to Georgia's 2017/2018 peer review report (OECD, 2018^[1]). There is no filing obligation for a CbC report in Georgia yet.

Summary of key findings

2. 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.

3. 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.

4. 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^[2]) relating to the exchange of information framework ahead of the first exchanges of information.

5. 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.

6. It is however noted that Georgia will not be exchanging CbC reports in 2019.

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 with respect to the parent entity filing obligation.

(b) Scope and timing of parent entity filing

9. No changes were identified with respect to the scope and timing of parent entity filing.

(c) Limitation on local filing obligation

10. No changes were identified with respect to the limitation on local filing obligation.

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

11. No changes were identified with respect to the limitation on local filing in case of surrogate filing.

(e) Effective implementation

12. No changes were identified with respect to the effective implementation.

Conclusion

13. There is no change in relation to the domestic legal and administration framework for Georgia since the previous peer review. The recommendation in the 2017/18 peer review, that Georgia take steps to implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible, remains in place.

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

14. As of 31 May 2019, 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. Georgia does not have processes or written procedures in place that are intended to ensure that each of the mandatory fields of information required in the CbC reporting template are present in the information exchanged.

(c) Completeness of exchanges

16. Georgia does not have processes or written procedures in place that are intended to ensure that CbC reports are exchanged with all tax jurisdictions listed in Table 1 of a CbC reporting template with which it should exchange information as per the relevant QCAAs.

(d) Timeliness of exchanges

17. Georgia does not have processes or written procedures in place that are intended to ensure that the information to be exchanged is transmitted to the relevant jurisdictions in accordance with the timelines provided for in the relevant QCAAs.

(e) Temporary suspension of exchange or termination of QCAA

18. Georgia does not yet have processes or written procedures in place that are intended to ensure that a temporary suspension of the exchange of information or termination of a relevant QCAA be carried out only as per the conditions set out in the QCAA.

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

19. Georgia does not yet have processes or written procedures in place that are intended to ensure that the Competent Authority consults with the other Competent Authority prior to making a determination that there is or has been significant non-compliance with the terms of the relevant QCAA or that the other Competent Authority has caused a systemic failure.

(g) Format for information exchange

20. Georgia has not confirmed the format that will be used for the international exchange of CbC reports.

(h) Method for transmission

21. Georgia has not indicated that it uses the Common Transmission System, or any other mechanism, to exchange CbC reports.

Conclusion

22. The recommendation in the 2017/2018 peer review for 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 remains in place.

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.

24. However, it is noted that Georgia will not be exchanging CbC reports in 2019.

Part C: Appropriate use

25. Georgia does not yet have measures in place relating to appropriate use. No changes were identified in respect of appropriate use. The recommendation in the 2017/2018 peer review for Georgia to take steps to have measures in place relating to appropriate use ahead of the first exchanges of information remains in place. It is however noted that Georgia will not be exchanging CbC reports in 2019.

26. No information or peer input was received for the reviewed jurisdiction in respect of appropriate use.

Conclusion

27. There is no change to the conclusion in relation to the appropriate use for Georgia since the previous peer review. The recommendation for Georgia to take steps to ensure that the appropriate use condition is met ahead of its first exchanges of information remains in place. It is however noted that Georgia will not be exchanging CbC reports in 2019.

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	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.



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