

Aruba

1. This report is Aruba's first annual peer review report. Consistent with the agreed methodology this report covers: (i) the domestic legal and administrative framework, (ii) the exchange of information framework as well as (iii) the appropriate use of CbC reports. There is no filing obligation for a CbC report in Aruba yet.

Summary of key findings

2. Aruba does not yet have legislation in place for implementing the BEPS Action 13 minimum standard. It is recommended that Aruba take steps to implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible.

3. It is recommended that Aruba 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 Aruba has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

4. It is recommended that Aruba 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 Aruba take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.

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

Part A: The domestic legal and administrative framework

7. Aruba does not yet have legislation in place for implementing the BEPS Action 13 minimum standard.

(a) Parent entity filing obligation

(b) Scope and timing of parent entity filing

(c) Limitation on local filing obligation

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

(e) Effective implementation

8. Aruba does not yet have its legal and administrative framework in place to implement CbC Reporting and thus does not implement CbC Reporting requirements for the 2018 fiscal year.

9. It is recommended that Aruba take steps to implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible.

Conclusion

10. Aruba does not yet have a complete domestic legal and administrative framework to impose and enforce CbC requirements on the Ultimate Parent Entity of an MNE Group that is resident for tax purposes in Aruba. It is recommended that Aruba take steps to implement a domestic legal and administrative framework to impose and enforce CbC reporting requirements as soon as possible.

Part B: The exchange of information framework

(a) Exchange of information framework

11. As of 31 May 2019, Aruba has no bilateral relationships in place for the exchange of CbC reports. It is recommended that Aruba 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 Aruba has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

(b) Content of information exchanged

12. Aruba 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

13. Aruba 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

14. Aruba 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

15. Aruba does not 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

16. Aruba does not 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

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

(h) Method for transmission

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

Conclusion

19. It is recommended that Aruba 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 Aruba has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

20. Further, it is recommended that Aruba 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 relating to the exchange of information framework ahead of its first exchanges of information. It is however noted that Aruba will not be exchanging CbC reports in 2019.

Part C: Appropriate use

21. Aruba does not yet have measures in place relating to appropriate use. It is recommended that Aruba to take steps to have measures in place relating to appropriate use ahead of the first exchanges of information remains in place.

Conclusion

22. It is recommended that Aruba take steps to ensure that the appropriate use condition is met ahead of its first exchanges of information. It is however noted that Aruba 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 Aruba 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 Aruba 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 Aruba has 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 Aruba 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 relating to the exchange of information framework ahead of its first exchanges of information.
Part C	Appropriate use	It is recommended that Aruba take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.



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