

Sweden

Sweden has met all aspects of the terms of reference (OECD, 2017^[3]) (ToR) for the calendar year 2019 (year in review), except for identifying all potential exchange jurisdictions for future rulings (ToR I.4.2.1). Sweden receives one recommendation on this point for the year in review.

In the prior year report, as well as in the 2016 and 2017 peer reviews, Sweden received the same recommendation. As it has not been addressed, the recommendation remains in place.

Sweden can legally issue three types of rulings within the scope of the transparency framework.

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

- 28 past rulings;
- For the period 1 April 2016 - 31 December 2016: five future rulings;
- For the calendar year 2017: three future rulings;
- For the calendar year 2018: six future rulings; and
- For the year in review: one future ruling.

Sweden publishes some of their tax rulings in redacted form on Swedish Board of Advanced Tax Rulings' website.¹

No peer input was received in respect of the exchanges of information on rulings received from Sweden.

A. The information gathering process

1052. Sweden can legally issue the following three types of rulings within the scope of the transparency framework: (i) preferential regimes;² (ii) permanent establishment rulings; and (iii) related party conduit rulings.

Past rulings (ToR I.4.1.1, I.4.1.2, I.4.2.1, I.4.2.2)

1053. For Sweden, 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.

1054. In the prior years' peer review reports, it was determined that Sweden's undertakings to identify past rulings and all potential exchange jurisdictions were sufficient to meet the minimum standard. Sweden's implementation in this regard remains unchanged, and therefore continues to meet the minimum standard.

Future rulings (ToR I.4.1.1, I.4.1.2, I.4.2.1)

1055. For Sweden, future rulings are any tax rulings within scope that are issued on or after 1 April 2016.

1056. In the prior years' peer review reports, Sweden was recommended to amend its rulings practice in order to be able to identify all potential exchange jurisdictions for future rulings.

1057. During the year in review, the Swedish Ministry of Finance has drafted new legislation in order to fulfil the Action 5 minimum standard. The proposed legislation will be presented to parliament for approval in 2020. The Swedish Tax Agency ("the STA") has also amended its ruling practice and framework. Sweden indicates that they will make the last changes to the STA framework as soon as the new legislation has been approved by parliament. In most cases, Sweden reports it is able to identify potential exchange jurisdictions. According to the new legislation and the new STA framework, the STA will be able to identify all potential exchange jurisdictions regarding future rulings. However this cannot be finalised until the legislation on tax rulings has been approved by the Swedish parliament, and therefore, the prior year recommendation remains.

Review and supervision (ToR I.4.3)

1058. In the prior years' peer review reports, it was determined that Sweden's review and supervision mechanism was sufficient to meet the minimum standard. Sweden's implementation in this regard remains unchanged, and therefore continues to meet the minimum standard.

Conclusion on section A

1059. Sweden has met all of the ToR for the information gathering except for identifying all potential exchange jurisdictions for future rulings (ToR I.4.2.1). Sweden is recommended to continue its efforts to finalise its rulings practice to require taxpayers to provide information on all potential exchange jurisdictions for future rulings as soon as possible.

B. The exchange of information

1060. In the prior years' peer review reports, it was determined that Sweden'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. Sweden's implementation in this regard remains unchanged and therefore continues to meet the minimum standard.

1061. Sweden has international agreements permitting spontaneous exchange of information, including being a party to the (i) *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011^[4]) ("the Convention"), (ii) the Directive 2011/16/EU with all other European Union Member States, (iii) the Nordic Convention on Assistance in Tax Matters and (iv) bilateral agreements in force with 62 jurisdictions.³

1062. For the year in review, the timeliness of exchanges is as follows:

Future rulings in 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
	3	0	N/A	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

1063. Sweden 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. Sweden has met all of the ToR for the exchange of information process and no recommendations are made.

C. Statistics (ToR IV)

1064. The statistics for the year in review are as follows:

Category of ruling	Number of exchanges	Jurisdictions exchanged with
Ruling related to a preferential regime	<i>De minimis</i> rule applies	N/A
Permanent establishment rulings	<i>De minimis</i> rule applies	N/A
Related party conduit rulings	0	N/A
<i>De minimis</i> rule	3	N/A
Total	3	

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

1065. Sweden does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015^[1]) 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
Sweden experienced delays in identifying all potential exchange jurisdictions for future rulings.	Sweden is recommended to continue its efforts to finalise its rulings practice to require taxpayers to provide information on all potential exchange jurisdictions for future rulings as soon as possible. This recommendation remains unchanged since the 2016, 2017 and 2018 peer review reports.

References

- OECD (2017), *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, <http://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>. [3]
- 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://dx.doi.org/10.1787/9789264241190-en>. [1]
- OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264115606-en>. [4]

Notes

¹ Available at: <https://www.skatterattsnamnden.se/>.

² With respect to the following preferential regime: Tonnage tax regime.

³ Parties to the Convention are available here: www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm. Parties to the Nordic Convention on Assistance in Tax Matters are Denmark, Faroe Islands, Finland, Iceland, Norway and Sweden. Sweden also has bilateral agreements with Argentina, Armenia, Australia, Austria, Barbados, Belgium, Botswana, Brazil, Bulgaria, Canada, Chile, China (People's Republic of), Croatia, Czech Republic, Egypt, Estonia, France, Georgia, Germany, Greece, Hungary, India, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Kazakhstan, Kenya, Korea, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mauritius, Mexico, Netherlands, New Zealand, Nigeria, North Macedonia, Pakistan, Poland, Portugal, Romania, Russia, Saudi Arabia, Serbia, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sri Lanka, Switzerland, Thailand, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Kingdom, United States, Viet Nam and Zambia.



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