



# States of Guernsey Income Tax

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## Country by Country Reporting update

### Bulletin 2017/12

**This Bulletin is issued under the provisions of Regulation 10 of The Income Tax (Approved International Agreements) (Implementation) (Country by Country Reporting) Regulations, 2016 (“the CbCR Regulations”)**

As previously explained, the provisions of the CbCR Regulations require each Ultimate Parent Entity of a Multinational Enterprise Group (MNE Group) that is resident for tax purposes in Guernsey to file a Country by Country (CbC) report with the Director in accordance with The Income Tax (Approved International Agreements) (Implementation) (Country by Country Reporting) Regulations, 2016 (“the regulations”).

A MNE Group may, under certain conditions, designate a different Constituent Entity within the MNE Group to be the Reporting Entity (making that entity a "Surrogate Parent Entity"), in which case the reporting obligations under the regulations apply to that Surrogate Parent Entity.

The reporting deadline for the CbC report is in accordance with the regulations and is no later than 12 months after the last day of the Reporting Fiscal Year of the MNE Group and applies to a Reporting Entity that is resident for tax purposes in Guernsey, in respect of its Fiscal Years commencing on or after 1 January 2016. As such, the reporting deadline is determined by the fiscal year end accounting date of the Reporting Entity and will vary based upon this.

As the first occurrence of reporting under the CbCR Regulations will occur on 31 December 2017 (in respect of MNE Groups with an accounting year end of 31 December 2016), the Director is issuing this Bulletin in accordance with Regulation 10(2)(b) of the CbCR Regulations in order to deal with some transitional provisions.

There are a number of jurisdictions, that have committed to CbC Reporting, however, they do not currently have a relevant Competent Authority Agreement in effect with Guernsey in order to set out the framework of reporting. The current list of jurisdictions that do have a relevant Competent Authority Agreement in effect can be found on the [OECD BEPS website](#).

Further relevant Competent Authority Agreements will also come into effect with the United States of America, the United Kingdom, the Isle of Man and Jersey, details of some of these Agreements can be found on the States of Guernsey BEPS website, using the link [“Useful links to relevant material”](#).

It has also not been possible for the Director to complete all of the testing of the CbC module of the Information Gateway Online Reporter (IGOR) system in order to be in a position to launch the live

system during the anticipated timeframe of mid-December, as detailed in the earlier [Bulletin 2017/8](#).

In view of these factors the Director has introduced the following modifications to the requirements under the CbCR Regulations to reflect relevant transitional provisions for this first reporting period:

1. For all Ultimate Parent Entities or Surrogate Parent Entities with a first reporting deadline prior to 31 March 2018, the Director has deferred the reporting deadline to **31 March 2018**, therefore, it will not be necessary for affected Entities to file a report prior to 31 March 2018 (this Bulletin, therefore, modifies the provision of Regulation 4(3) of the CbCR Regulations accordingly as a transitional measure for this first reporting period only); and
2. For all Constituent Entities with a Reporting Fiscal Year ending prior to 31 March 2018 (“the first Reporting Fiscal Year”), where the provisions of paragraph 1(2) of Schedule 1 of the CbCR Regulations apply (requiring the Constituent Entity to submit to the Director a relevant CbC Report for the MNE Group) the Director has deferred the reporting deadline to **31 March 2018**, therefore, it will not be necessary for affected Entities to file a report prior to 31 March 2018 and if the relevant criteria resulting in the reporting requirement has been rectified during the period 1 January 2018 up to and including 30 March 2018, the Director will accept that the Constituent Entity will no longer have the reporting obligation for that Reporting Fiscal Year.

For the avoidance of doubt, the above transitional amendments to the Reporting Dates does not affect the Notification Dates applicable to Constituent Entities, Ultimate Parent Entities and Surrogate Parents Entities as detailed in paragraph 2 of Schedule 1 of the CbCR Regulations.

As detailed in Bulletin 2017/8, the formal launch of the CbCR Module of IGOR will be carried out as soon as possible and will be published on the [States of Guernsey BEPS website](#), including full details of the registration requirements.

Should you have any questions concerning the above please refer them to: [eoi@gov.gg](mailto:eoi@gov.gg)

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