



## **Country by Country Reporting Requirements in Anguilla for Constituent Entities of Multi-National Enterprises.**

**This notice is intended for entities that may have obligations to report information under The International Tax Compliance (CBC Reporting) Regulations, 2019 (hereinafter referred to as the CbCR Regulations), which came into force on the 2nd April, 2019.**

Anguilla is party to the Inclusive Framework on Base Erosion and Profit Shifting ("BEPS") and a signatory of the Multilateral Competent Authority Agreement (MCAA) on the Exchange of Country-by-Country Reports.

CbCR requires Multinational Enterprises (MNEs) which meet certain criteria to file a Country-by-Country Report (CbC Report) with local authorities which would provide a breakdown of the amount of revenue, profits, taxes and other indicators of economic activities for each tax jurisdiction in which the MNE group does business. **CbCR only applies to MNE groups with annual consolidated group revenue of at least US\$850 million in the preceding fiscal year. An Excluded MNE Group is a Group which does not meet the aforementioned threshold. CbCR does not apply to Groups below the threshold.**

A qualifying MNE Group is a collection of enterprises (Constituent Entities) that: (i) are tax resident in two or more jurisdictions and are related through ownership or control; (ii) had a total consolidated group revenue of US\$850 million or more in the preceding fiscal year; and (iii) prepare, or would be expected to prepare, consolidated financial statements in at least one tax jurisdiction in which it operates.

A constituent entity of an MNE Group will have notification and/or reporting requirements in Anguilla if it is 'resident in Anguilla', meaning: (a) incorporated or established in Anguilla; (b) having a place of effective management in Anguilla; or (c) subject to financial supervision in Anguilla.

### **Notification Requirements**

Constituent Entities of an MNE Group that is resident for tax purposes in Anguilla, are required to notify the Competent Authority that they are members of an MNE Group and to confirm the identity and tax residence of the MNE Group's Reporting Entity (defined below), if not itself. Notification does **not**

need to be repeated annually. Any Anguillian entity which subsequently becomes a Constituent Entity must notify the Competent Authority before the end of its fiscal year.

### **Reporting Requirements**

A Constituent Entity is **only** required to file a Country-by-Country Report if it is the '**Ultimate Parent Entity**' (directly or indirectly owning a sufficient interest in the MNE Group to require it to prepare consolidated financial statements under accounting principles in certain circumstances) also referred to as a "Reporting Entity". Reporting Entities must report the information set out in CbCR Regulations annually for each tax jurisdiction in which they operate. The Schedule for the CbCR Regulations includes the standard template and instructions on Country-by-Country reporting.

**For the avoidance of doubt, Anguilla does not require Reporting Entities to file Master Files and Local Files and also does not require Constituent Entities that are not Reporting Entities to file CbC Reports.**

### **Exchange of Information**

The Competent Authority will annually exchange on an automatic basis the CbC Report received from each Reporting Entity (Ultimate Parent Entity) that is resident in Anguilla. The Competent Authority will collate and exchange the Country-by-Country Reports with partner jurisdictions that have satisfied the requisite confidentiality and data safeguards and have the appropriate legal instruments in place.

### **Reporting Timelines**

CbC Reports are required to be filed by Ultimate Parent Entities that are resident in Anguilla for tax purposes in respect of fiscal years (accounting periods) **beginning on or after** 1 January, 2019. The deadline for Reporting Entities to make their CbC Report is within 12 months of the end of their reporting fiscal year i.e. year, that is if the year-end is 31 December 2019 reporting will be required by 31 December 2020.

### **Further Information**

Legislation, Resources & Guidance - <http://eotax.gov.ai/AEOI/CbCR>

If you have and further questions, please email the CbCR Team at [Anguilla.EOI@gov.ai](mailto:Anguilla.EOI@gov.ai)

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