

German-Netherlands-Statement

We acknowledge that major milestones have been taken in combatting tax avoidance by agreeing and implementing the OECD- and EU- standards against base erosion and profit shifting (BEPS).

We however also note that there are remaining BEPS challenges. BEPS is still a pressing issue with entities that are subject to no or low taxation.

We recognize that further measures are important to ensure a sufficient level of taxation globally. In this regard, the Netherlands will introduce a conditional withholding tax on payments to low tax jurisdictions.

The Global Base Erosion (GloBE) proposal that is under discussion within the OECD ensures that all internationally operating businesses pay a minimum level of tax and reduces the incentives to allocate returns for tax reasons to low taxed entities.

We are committed to further work out this minimum tax standard, while taking into account undesired risks of double taxation and over-excessive administrative burdens.