



# BEPS 2.0 Pillar I Quick Impact Tool (QUIT I)

**Your impact barometer**

December 2021



## BEPS 2.0 - What the OECD is planning

The OECD is striving for a reform of international corporate taxation (also known as BEPS 2.0). Pillar I of the programme is aimed at taxing the digital economy not only at companies' registered offices, but also where revenue is generated, i.e. in the "market jurisdictions". Pillar II, meanwhile, is targeted at the development of effective global minimum taxation. The envisaged changes are far-reaching and herald a new era in tax law.

What could this mean for your multinational group? Find out using the BEPS 2.0 Pillar I Quick Impact Tool (QuIT I), which is continuously adapted to current developments.

While the work on the BEPS 2.0 reform is currently being finalized, the OECD "Blueprint" from October 2020 as well as two joint statements of the Inclusive Framework published in July and October 2021 provide first concrete insights: According to this, Pillar I applies to multinational groups with a global turnover of 20 billion euros and a pre-tax profitability of more than 10%. Additionally, the current wording suggests that multinational groups with lower profitability at group level could also be affected, if one or more disclosed operating segment(s) meet(s) these criteria. Therefore, depending on the case at hand the impact analysis should be conducted on segment level.

QuIT I supports you with an initial high-level simulation of the potential impact of Pillar I of the BEPS 2.0 reform on your multinational group. All you need for an initial analysis on group level is the revenue you generate in each country and the data from your country-by-country reporting (analysis on country level) or the respective data per entity (analysis on entity level). For a simulation on segment level, this data is required per segment.

# BEPS 2.0 Pillar I Quick Impact Tool (QUIT I)

Quit I simulates the residual profit to be allocated via Amount A and the allocation across the market and paying jurisdictions/entities. You can use sliders and

drop-down menus to play through various scenarios and find out about the impact of different parameters on your group.



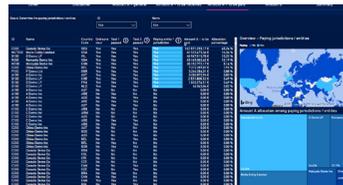
*Introduction to the BEPS 2.0 Pillar I Quick Impact Tool*



*Application of various scenarios regarding Amount A*



*Interim result from the perspective of the market jurisdictions*



*Interim result from the perspective of "paying" jurisdictions/entities*



*Countries that may profit from Amount B*



*Summary of the potential total impact of Amount A on your group*

Quit I is incorporated in the cloud-based tax platform [KPMG Digital Gateway](#). To grant access to up to three users for six months we charge a fee of EUR 2,000. If the provided data are not available in the required format, additional costs may be incurred for data processing.

Note: Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

**If you are interested, please get in touch – we are happy to provide an on-site or virtual demonstration of QulIT I for you.**

### **Contact**

KPMG AG  
Wirtschaftsprüfungsgesellschaft

#### **Felix Bußmann**

Partner, Tax  
Global Transfer Pricing Services  
T +49 69 9587-3936  
fbussmann@kpmg.com

#### **Ina Majewski**

Manager, Tax  
Global Transfer Pricing Services  
T +49 89 9282-1062  
imajewski@kpmg.com



[www.kpmg.de](http://www.kpmg.de)

[www.kpmg.de/socialmedia](http://www.kpmg.de/socialmedia)



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2021 KPMG AG Wirtschaftsprüfungsgesellschaft, a corporation under German law and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.