



BEPS 2.0 Pillar II Quick Impact Tool (QUIT II)

Your impact barometer

December 2021



BEPS 2.0 - What the OECD is planning

The OECD is striving for a reform of international corporate taxation (BEPS 2.0). Pillar I of the programme is aimed at taxing multinational groups not only at their 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.

Two blueprints of over 200 pages were published for Pillar I and II in October 2020 followed by two Inclusive Framework (IF) Statements in July and October 2021. The introduction of a minimum tax rate under Pillar II is to apply globally regardless of a company's residency. The OECD draft focuses on the collection of a potential "top-up tax".

The proposed changes are as comprehensive as they are complex: The "effective tax rate" is to be used as an indicator of low taxation. To this end, the OECD intends to develop an independent and uniform global tax base. In addition, various tax mechanisms are being redefined to ensure minimum taxation. The IF member states have now agreed upon a minimum tax rate of 15%.

What could this mean for your multinational group? What is the potential additional tax burden for your multinational group? Find out using the BEPS 2.0 Pillar II Quick Impact Tool (QuIT II).

QuIT II supports you with an initial high-level simulation of the potential impact of the OECD's Pillar II proposal on your group. All you need for an initial analysis is the data from your country-by-country reporting.

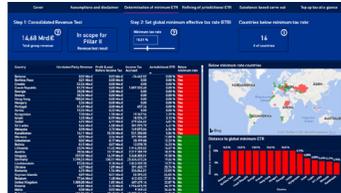
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QuIT II simulates the “effective tax rate” for minimum taxation and gives an indicative estimate of the additional tax burden due to the “top-up tax” under the OECD’s BEPS Pillar II initiative.

With sliders and score alternatives, you can run through various scenarios and simplification iterations to explore the general effects on your group.



Starting out with the BEPS 2.0 Pillar II Quick Impact Tool



Determine the global minimum taxation and affected jurisdictions



Apply individual adjustments to determine the “effective tax rate”



Simulate the “carve-out” for substance-based business activities



Summary of the potential overall impact of “top-up tax” on your group

QuIT II is incorporated into [KPMG Digital Gateway](#), a cloud-based tax platform. Access for up to three users for six months costs EUR 2,000. If data are not provided 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 will be happy to provide you with an on-site or virtual demonstration of QulT II.

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