



Global minimum top-up tax

Potential exception to deferred tax accounting with proposed amendments



Proposed amendments to IAS 12 expected in January 2023

As jurisdictions prepare to amend their local tax laws to introduce the global minimum top-up tax (GloBE)¹, stakeholders are questioning how they will account for those changes under IFRS[®] Accounting Standards.

In particular, they are assessing whether top-up tax is within scope of IAS 12 *Income Taxes* and, if so, how to account for its deferred tax impacts.

The International Accounting Standards Board discussed these concerns in its November 2022 meeting and agreed to undertake urgent narrow-scope standard-setting. It plans to issue proposed amendments in January 2023 that would:

- provide a temporary exception from deferred tax accounting for top-up tax; and
- require companies to provide new disclosures to compensate for the potential loss of information resulting from the temporary exception.

What are the implications of these changes on businesses, and how can they better prepare for them? [Read this article](#) to find out.

¹ GloBE – global anti-base erosion.

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