



# OECD seeks feedback on Amount B under Pillar One

Headlines and observations



## Public consultation on Amount B under Pillar One

The Organisation for Economic Cooperation and Development (OECD) on 8 December 2022 released a public consultation document on Amount B under Pillar One. The document is part of the ongoing work of the OECD/G20 Inclusive Framework (IF) on BEPS<sup>1</sup> to implement a two-pillar solution to address the tax challenges arising from the digitalisation of the economy.

Amount B could change the way we do transfer pricing for marketing and distribution entities. In a nutshell, it is aimed at standardising the remuneration of baseline distributors within a Multinational Enterprise (MNE) Group.

Unlike Amount A, which is only expected to impact approximately 100 MNE Groups, Amount B is broader and likely to impact many MNE corporate taxpayers given it applies to entities performing "baseline marketing and distribution activities" in a market jurisdiction.

Although Amount B is part of Pillar One, it is not necessarily dependent on Amount A's success. The public consultation document provides the first detailed insights into how the IF considers Amount B could operate, since the Pillar One Blueprint was published more than two years ago.

The public consultation on Amount B runs through January 25, 2023. Interested parties should consider submitting comments during the consultation period.

<sup>1</sup> GloBE – global anti-base erosion.

**How should businesses respond to Amount B and what are the potential implications for them? Read KPMG's initial observations and analysis in [this article](#).**

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