

KPMG REG CRS Alert

Date:	27 February 2020
Alert Type:	Document
Country:	OECD
Regime:	CRS
Document Type:	Other Guidance

OECD: Issued draft Model Rules related to reporting for Platform Operators with respect to sellers in the sharing and gig economy

On 19 February 2020, the Organization for Economic Cooperation and Development (OECD) issued a draft of Model Rules that can be used by jurisdictions to collect information related to transactions and income realized by platform sellers in the sharing and gig economy.

The growth of platforms in sharing and gig economy presents an opportunity for tax administrations wherein activities, previously carried out in the informal cash economy can be recorded in electronic form. However, certain activities carried out may not be visible to tax administrators or self-reported by taxpayers as the services may not be subject to third-party reporting. This has led to several tax authorities introducing reporting obligations on platform operators.

However, since such platforms operate in multiple jurisdictions, domestic reporting rules have inherent limitations. Additionally, platforms operating in multiple jurisdictions may be subject to multiple permutations of domestic reporting requirements which may lead to increased costs and barriers to business development.

The OECD has released Model Rules for Reporting by Platform Operators with respect to Sellers in the Sharing and Gig Economy with the aim to limit the challenges highlighted above.

Further, the OECD has released public consultation document that contains draft of Model Rules and Commentary, and invites inputs on its key design features no later than 20 March 2020 (Friday).

This step is part of the first block of a three-block policy framework designed by the OECD to develop model domestic rules that can be uniformly adopted by interested jurisdictions to collect information on transactions and income realized by platform sellers, contain the proliferation of different domestic reporting requirements and facilitate the development of automatic Introduction exchange agreements for interested

OECD Contacts:



Laurie Hatten-Boyd

Principal

lhattenboyd@kpmg.com



Cyrus Daftary

Principal

cdaftary@kpmg.com

jurisdictions. The other two blocks include a framework for automatic exchange of information collected under model rules and development of technical solutions and development of technical solutions to support both the exchange of information, as well as the performance of the due diligence obligations by platform operators.

Reference: [Press Release](#) and [Model rules for public consultation](#) [PDF 1,024KB]

For information on KPMG's global AEOI network professionals, please email KPMGREGqueries@kpmg.com.



Jennifer Sponzilli

Principal

jsponzilli@kpmg.com



Michael H Plowgian

Principal

mplowgian@kpmg.com

kpmg.com/socialmedia



Contact us

Cyrus Daftary

Principal

+1 212 954 6096

cdaftary@kpmg.com

Laurie Hatten-Boyd

Principal

+1 206 213 4001

lhattenboyd@kpmg.com

www.kpmg.com

© 2020 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 894654

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

In preparing this information, we consulted tax authorities' official releases that are subject to change, retroactively, prospectively, or both, and any such changes could affect the information stated herein. The advice or other information in this document was prepared for the sole benefit of KPMG's client and may not be relied upon by any other person or organization. KPMG accepts no responsibility or liability in respect of this document to any person or organization other than KPMG's client. The following information is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.