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2025 Midyear Conference

**Public CbC Reporting: The Latest Around
the World**

*Tuesday, March 18
4:15-5:15pm*

**Grand Hyatt Washington DC
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Moderator



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EU Public Country-by-Country Reporting (CbCR) – Objectives

I Public CbCR - Objectives

- Enhance public oversight of corporate taxation by multinational enterprises (MNEs) in the EU
- Promote transparency and accountability
- Thereby contributing to the well-being of society

II Key differences with OECD CbC Reporting

- Unlike OECD CbC reporting, public CbC reporting is not intended to support tax authorities
- The European Commission aims to:
 - Enable the public to make a well-informed judgment on the (moral) tax positions of MNEs
 - Surprisingly, provide insight into national tax systems as well

Overview of Public CbCR Requirements

	EU Public CbCR	Australian Public CbCR
Reporting Scope	MNE with global revenue >750m EUR for each of the last two consecutive years, with a substantial operation in at least one EU Member State	MNE with global revenue >1 b AUD for the previous year, with operations in Australia
Commencement and First reporting period	Reporting periods starting on or after 22 June, 2024 with early adoption by Romania, Croatia and Sweden	Reporting periods starting on or after 1 July, 2024
Penalties	Yes	Yes
Exemption	Yes	Yes
Filing format	Submit to National Trade Registry or group website in specified format in at least one of the official EU languages	Submit to ATO in specified format

Focus on Public CbCR: EU

Background:

In December 2021, the EU amended Directive 2013/34/EU to mandate income tax disclosure for certain entities.

Key exemptions:

- If the ultimate parent is subject to public CbCR under CRD IV (Directive 2013/36/EU) for all activities and affiliates.
- If a non-EU parent publishes the report and appoints an EU entity to file it with the national registry (website publication exemption).



Who

Applies to either EU MNEs or non-EU MNEs present through at least one medium/large-sized entity in the EU, or an equivalent branch with an annual global consolidated revenue exceeding EUR 750 million



What

Required to report certain data on a country-by-country basis

The data is provided in relation to:

- EU MS
- Annex I and II jurisdictions (latter only if on list for 2 years)
- Rest of World (in aggregate)



When

22 June 2024: Rules applicable as of commencement date of the first financial year starting on or after 22 June 2023

Varied Member State introductions, published within 12 months of the balance sheet date, and available for at least five years. Spain: 6 months



How

Companies are filing private CBCR forms with the government based on local country requirements

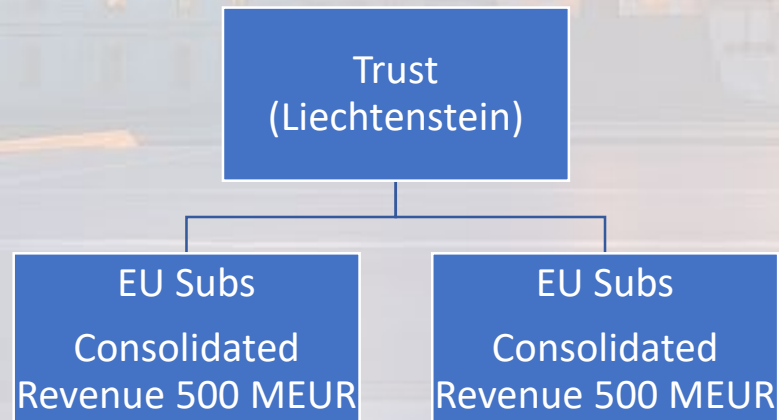
Each country has their specific form

Safeguard clause & penalties

- Safeguard clause
 - Disclosure may be deferred for up to 5 years if deemed commercially sensitive, except for data on EU black- and grey-listed jurisdictions
- Penalties
 - The EU Directive leaves penalties to Member States
 - Many countries already enforce penalties for CbC reporting
- Croatia:
 - Failure to compile & publish report:
Fine: EUR 1,320 to EUR 13,270
 - Responsible person at the company:
Fine: EUR 660 to EUR 2,650
- Germany:
 - For each entity or permanent establishment:
Fine: Up to EUR 250,000
 - Applies to:
Incorrect or incomplete public CbCR
Non-publication, incorrect publication, or delayed publication (for at least 5 years)

Exemption from Public CbCR requirements

- Public CbCR obligations apply depending on the country's local regulations.
- Example – Liechtenstein:
 - Criteria: Public CbCR applies if the Ultimate Parent Entity (UPE) in Liechtenstein has consolidated revenues exceeding EUR 750 million in the last two consecutive fiscal years.
 - Key exception: Public CbC reporting in Liechtenstein applies only to companies required to prepare consolidated financial statements under Article 1097 PGR (Personen- und Gesellschaftsrecht).
 - For Liechtenstein UPE non-EU harmonized legal forms (e.g., Trust) not required to consolidate, consider entities below the UPE separately for Public CbCR obligations.



Focus on Public CbCR: Australia

Background:

On 29 November 2024, the Australian Government passed a bill containing Public Country-by-Country Reporting measures. These impact certain multinational entities that operate in Australia by requiring the public release of information on a jurisdiction-by-jurisdiction basis together with a statement on their approach to taxation

Key exceptions:

CBCR parents of CBCR groups are excluded from publishing where the group's aggregated turnover includes less than AUD 10 million of 'Australian-sourced income.



Who

Applies to an entity that is a CbC reporting parent where, broadly, the parent is a constitutional corporation and is an entity that is not an individual; is not controlled by any other member of the same CbC reporting group; and has annual global income of AUD 1 billion or more



What

Required to report in relation to the company's approach to the management of tax and certain data points on a country-by-country basis

Reporting is required to be broken down by:

- Australia
- Specified jurisdictions
- Rest of world (aggregate)



When

Reporting periods commencing on or after 1 July 2024 (31-Dec-25 YE for calendar year taxpayers) with reporting due 12 months after the deadline



How

The data must be provided to the Australian Tax Office, who will publish the data in the public domain

Public CbCR Disclosure – comparison of data points required

Elements / data points	OECD / US CbCR Report	EU Directive 2021/2101	GRI 207: Tax 2019	Australian Public CbCR
Approach to tax			X	X
Entity names	X	X	X	X
Business activities	X	X	X	X
Number of employees	X	X	X	X
Third party revenue	X		X	X
Related party revenue	X		X	X
Profit or loss before income tax	X	X	X	X
Tangible assets other than cash and cash equivalents	X		X	X
Income tax paid (on a cash basis)	X	X	X	X
Income tax accrued (current year)	X	X	X	X
Difference between effective tax rate and statutory tax rate			X	X
Total revenue	X	X		
Shared capital	X			
Accumulated earnings	X	X		

Public CbCR: Which Countries?

EU: Member States (Oct 2023)		EU: Annex I (Feb 2025)	EU: Annex II (Feb 2025)	Australia: Specified Jurisdictions (Dec 2024)		
Austria	Lithuania	American Samoa	Antigua & Barbuda	Australia	Grenada	Saint Lucia
Belgium	Luxembourg	Anguilla	Belize	Andorra	Guernsey	Saint Maarten (Dutch)
Bulgaria	Malta	Antigua & Barbuda	British Virgin Islands	Anguilla	Hong Kong	St Vincent & Grenadines
Croatia	Netherlands	Fiji	Brunei	Antigua & Barbuda	Isle of Man	Samoa
Cyprus	Poland	Guam	Eswatini	Aruba	Jersey	San Marino
Czechia	Portugal	Palau	Seychelles	Barbados	Liberia	Seychelles
Denmark	Romania	Panama	Türkiye	Bahamas	Liechtenstein	Singapore
Estonia	Slovakia	Russia	Viet Nam	Bahrain	Mauritius	Switzerland
Finland	Slovenia	Samoa		Belize	Monaco	Turks & Caicos
France	Spain	Trinidad & Tobago		Bermuda	Montserrat	US Virgin Islands
Germany	Sweden	US Virgin Islands		BVI	Nauru	Vanuatu
Greece		Vanuatu		Cayman Islands	Niue	
Hungary				Cook Islands	Panama	
Ireland				Curacao	Marshall Islands	
Italy				Dominica	Saint Kitts and Nevis	
Latvia				Gibraltar		

Key Challenges

Stakeholder engagement and management

Reputational and stakeholder perception risks

Changing environment

Commercial sensitivities

Data Definitions and Readiness

Coordinated and consistent approach

Avail of exemptions available

Peer comparisons and strategies

Link to sustainability reporting

Broad-based assessment of risks

Identify filing jurisdictions

Presenting core vs complementary data and narrative

Income vs other tax focus – telling the whole story

Transform data and actual filing

Reconciliations (8975, Stat, GAAP, PII, etc.)

Communication plan and alignment

Readiness Approach



Stakeholder Engagement

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