

# Deloitte's 2023 Global Tax Policy Survey

Executive summary of the 10th annual multinational survey

July 2023

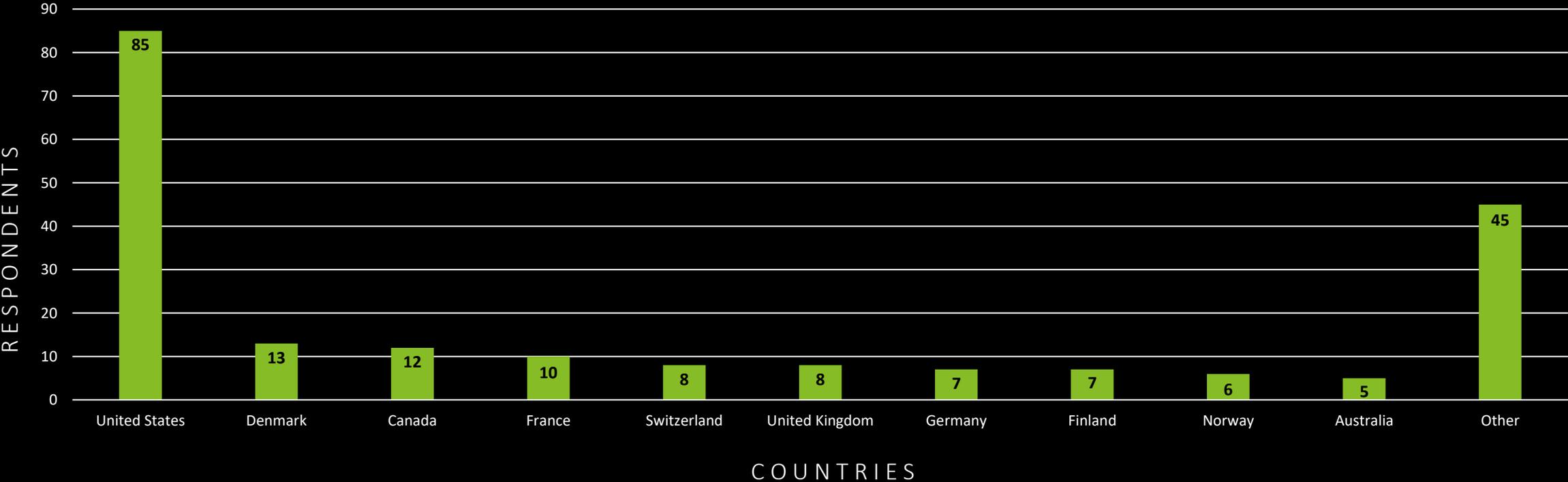


# OECD’s BEPS initiative—Deloitte’s 10<sup>th</sup> annual multinational survey

## Overview of the 2023 survey

The purpose of this Deloitte survey was to gauge multinationals’ views on the topics that were high on the agenda in 2023, such as EU legislative proposals, remote work, and the continued focus on Environmental, Social, and Governance matters. This in addition to their views on the progress of the OECD’s Pillar One and Pillar Two initiative related measures and the impact on their businesses.

The survey was conducted from 12 January to 7 February 2023, with a target audience of tax directors and tax managers from multinational companies. 206 people from 28 countries responded to the survey. The Top 10 countries by number of respondents are shown below.



# Global Tax Policy Survey—Deloitte’s 10th annual multinational survey

## Key findings

### Stakeholder interest in tax will continue to increase but is becoming the new normality

- 75%** expect some level of increase in stakeholder interest in tax behavior and outcomes of large corporates over the next three years.
- 56%** have a neutral response to the continuing interest of media, political and activist groups in corporate taxation.
- 41%** agree or strongly agree that it requires significant resources from the tax function to respond to media, political or activist groups in corporate taxation.
- 67%** agree or strongly agree that the C-suite and/or Board of Directors are actively engaged in establishing and/or approving their group's tax strategy and in assessing and monitoring risk in this area.

### Tax transparency standards and strategies feature widely but many plan to keep within standard financial reporting

- 54%** expect their group to align its external communication in relation to its tax performance with a transparency standard.
- 40%** have an up-to-date tax transparency strategy for their group, which has been tested with the senior leadership.
- 37%** do not expect any kind of communication with stakeholders beyond standard financial reporting over the next year.

### Pillar Two is expected to happen and businesses are preparing for the impact

- 85%** expect that a critical mass of countries will implement an Income Inclusion Rule under Pillar Two by 2025 or earlier.
- 81%** expect that a critical mass of countries will implement an Undertaxed Profits Rule under Pillar Two by 2026 or earlier.
- 34%** expect that Pillar One / Pillar Two will result in a significant increase in their group’s global effective tax rate.
- 67%** of respondent groups do not expect that the implementation of Pillar Two will cause them to make significant changes to their corporate structure.
- 56%** have done at least some kind of modelling of the impact of Pillar Two on their tax profiles.
- 62%** are somewhat confident that they will have readily available tax and accounting data necessary to comply with Pillar Two.

Note: The statistics displayed here represent Deloitte’s interpretation of various data and commentary provided by the respondents to the survey. Please refer to the [full results report](#) for more detail.

# Global Tax Policy Survey—Deloitte’s 10th annual multinational survey

## Key findings (continued)

### Tax administration and tax disputes remain high on the corporate agenda

- 25%** agree or strongly agree that most tax administrations are interpreting the OECD Transfer Pricing Guidelines in a consistent manner.
- 40%** agree or strongly agree that the tax authority in their ultimate parent’s jurisdiction has become more rigorous in tax examinations in the last 12 months, while 42% are neutral.
- 60%** of respondent groups remain concerned about the lack of guidance from tax authorities around the world about the principal purpose test.
- 41%** of respondent groups are interested in joining a cooperative tax compliance program where available, and 11% have already joined or are in the process of joining such a program.

### Respondent groups are considering environmental taxation and international remote work

- 54%** are planning to change their policies or already have processes in place to accommodate international remote work.
- 78%** expect the impact on their group, of permanent establishment issues related to the increasing trend towards remote working to be small or moderate.
- 39%** have started to analyze the impact of environmental taxation on their business and operations.

Note: The statistics displayed here represent Deloitte’s interpretation of various data and commentary provided by the respondents to the survey. Please refer to the [full results report](#) for more detail.

### EU tax transparency proposals will affect many respondent groups; BEFIT is not expected to simplify compliance

- 65%** reported arrangements under EU Mandatory Disclosure Regime to one or more tax authority in the EU since the directive came into force.
- 65%** expect to report in line with the EU public country-by-country reporting directive within the next three years, but limited to where they are required to report.
- 47%** considered the impact of the EU Unshell Directive proposal but have not made any changes yet.
- 65%** do not expect that the proposed EU single corporate tax rulebook (BEFIT) will simplify corporate tax compliance for their group in the EU.

# Question 31: What are your thoughts about the OECD Pillar One/Pillar Two project?

## Representative responses



Note: 129 respondents answered this question. The word clouds represent the most commonly stated responses and may not represent the views of Deloitte.

# Question 32: What are your stay-awake issues arising from the volume of change in tax regimes around the world?

Representative responses



Note: 130 respondents answered this question. The word clouds represent the most commonly stated responses and may not represent the views of Deloitte.



# Question 34: What impact on your group do you expect environmental tax measures to have on the organization, whether as a result of business change or introduction of new tax measures?

Representative responses



Note: 120 respondents answered this question. The word clouds represent the most commonly stated responses and may not represent the views of Deloitte.





Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organization”) serves four out of five Fortune Global 500<sup>®</sup> companies. Learn how Deloitte’s approximately 330,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2023. For information, contact Deloitte Global.