



Cyprus Tax News

Public CbC Reporting

In its [press release](#) on 11 November 2021, the European Parliament announced the adoption of the Public CbC Reporting Directive (“The Directive”), which has been the result of negotiations for a number of years. The Directive will be published in the Official EU Journal and will come into force 20 days thereafter. EU Member States, including Cyprus, will then have 18 months to transpose it into national law.

The new rules will require **MNE Groups which have annual consolidated group revenues exceeding €750 million** who are:

- either parented in the EU, or
- parented outside the EU but with large EU subsidiaries and branches,

to publish the taxes paid (and some other information, see below) in each EU Member State as well as in countries which are on the “black” and “grey” lists on the [EU’s list of non-cooperative jurisdictions for tax purposes](#).

These groups should already be subject to CbC reporting of tax related data to Tax Authorities (and automatic exchange of CbCR reports between jurisdictions) due to their consolidated group revenues exceeding €750 million.

The information that will be reported under the new EU Directive will now also make some of this data available within the public domain, responding to the trend of growing demands for more public disclosure and transparency with respect to taxes paid on profits made by large multinational groups.

The details of how the information will be publicly made available still needs some clarification. The EU Parliament’s press release on Thursday stated: *“This information will also need to be made publically available on the internet, using a common template and in a machine-readable format”*. It is expected that guidance will be issued in due course following publication of the Directive.

The information to be made publicly available is expected to include the following on a country-by-country and annual basis:

- Nature of the company's activities;
- Number of full-time equivalents;
- Profit or loss before income tax;
- Accumulated income tax;
- Income tax paid; and
- Accumulated earnings.

Based on the timelines involved, it is expected that the first reporting will take place by 2024.

How can we help?

Our TP team is at your disposal to discuss this development further and how it may impact in-scope groups, as well as monitor further progress with respect to implementation of the Directive.

[Get in touch](#)



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