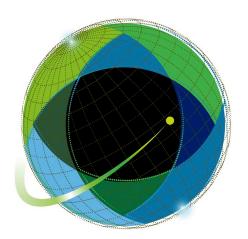
Deloitte.



Deloitte Pillar Two Tax AdvisoryFrom policy to practice

OECD—Global Minimum Tax

Global Minimum Tax from 2024

Additional tax liability is possible.

Additional reporting obligations are certain!

MNEs in scope of Pillar Two must comply with the rules even if only one jurisdiction where they operate implements the rules in their domestic legislation.

€ >750m

15%

Minimum tax

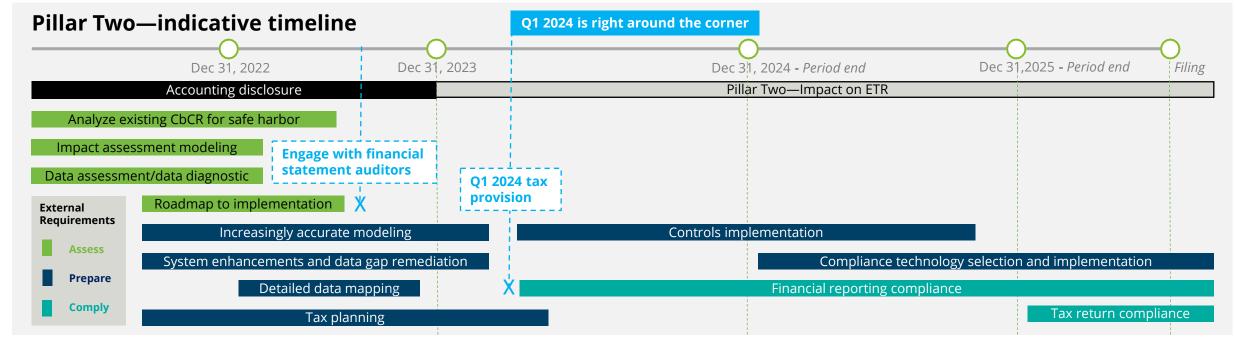
Revenue

The applicable rule set to enforce global application

Priority: Qualified Domestic Minimum Top-up Tax (QDMTT)

Main: Income Inclusion Rule (IIR)—In-scope MNE Groups pay a minimum level of tax for each country in which they operate at ultimate parent entity level.

Backstop: Undertaxed Profit Rule (UTPR)— In-scope MNE Groups pay a minimum level of tax for each country in which they operate at UTPR entity level, in case no IIR applies.



Pillar Two readiness considerations

Navigate complexity with integrated offerings tailored for your needs





Policy

Monitor and analyze in-country and supranational legislative updates

Impact assessment modeling

Model safe harbor and potential top-up tax liabilities under various scenarios and report to key stakeholders

Data assessment

Methodically assess the quality and availability of necessary data, identifying gaps, and developing remediation plans

Technical advisory

Determine whether changes to legal entity, financing, and operating structures may be needed as a result of the change in tax law

Finance system enhancement

Tax and finance partner to build Pillar Two considerations into existing systems or upcoming finance transformations

Tax technology

Update tax technology systems to account for Pillar Two

Accounting and tax provision

Develop a detailed plan to prepare for the first interim period and the first year impacted by IIR, UTPR, and ODMTT

Global compliance

Develop a process to facilitate real-time capture of the data required to populate Pillar Two returns

Safe harbor analysis

Impact assessment and the way forward

Reporting

What's next?

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