TAXCBC

COUNTRY-BY-COUNTRY FILING

Country by Country filing through TaxCBC

TaxModel has launched TaxCBC, a software application that facilitates multinationals to file Country-by-Country ("CbC") reports to any OECD tax authority that supports XML based electronic filing.

TaxCBC fully supports companies to file their CbC reports with the Dutch tax authorities. The application currently supports only filing in the Netherlands, and can easily be adapted to facilitate filings in other countries.

The Dutch tax authorities have provided a system allowing companies to report their financial data. This system is called Digipoort. A certification is required to be able to send data to the Digipoort. This certificate identifies the company as a provider of secured software. TaxModel has obtained this certificate and has established a connection with the Digipoort. This connection allows TaxModel to file Country by Country reports to the Dutch tax authorities through its TaxCBC application.

When filing a CbC report through TaxModel, the following steps will be taken:

1. **Reporting Excel Template**
    TaxModel has provided a CBC Excel template which should be filled in by the reporting company. This template contains the financial data, address and performed functions for every entity within the multinational and is based on the OECD provided table 1, table 2 and table 3 templates from BEPS action 13.
    TaxModel will request the reporting company to provide a filled in template. Once this template has been correctly provided, TaxModel can continue with the next step to be able to file the report.

2. **Validation of provided data**
    After receiving the Excel template the TaxCBC application will validate the filled in data for possible missing information. If data is lacking TaxModel will request the reporting company to supply this missing data. Once the Excel has been approved the TaxCBC application has the option to send the report to the (Dutch) tax authorities.

3. **Filing the Country by Country report**
    Once all previous steps have been finalized, TaxModel will file the CbC report to the tax authorities. A receipt will be generated after successfully finalizing the report. This receipt will be send back to the reporting company. The receipt contains the following information:

    a. A visualization of the sent data

    b. The identification number of the request
        The receipt includes an identification number which serves as a reference to the sent CbC report. This identification number allows the client to validate the status of the pending report.

    c. The actual XML data that was sent to the tax authorities

TaxModel is not responsible for the communication with the tax authorities after the CbC filing has been done.

TAX**MODEL**

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