



# BEPS 2.0: state of play

KPMG Global Tax & Legal | 25 May 2023

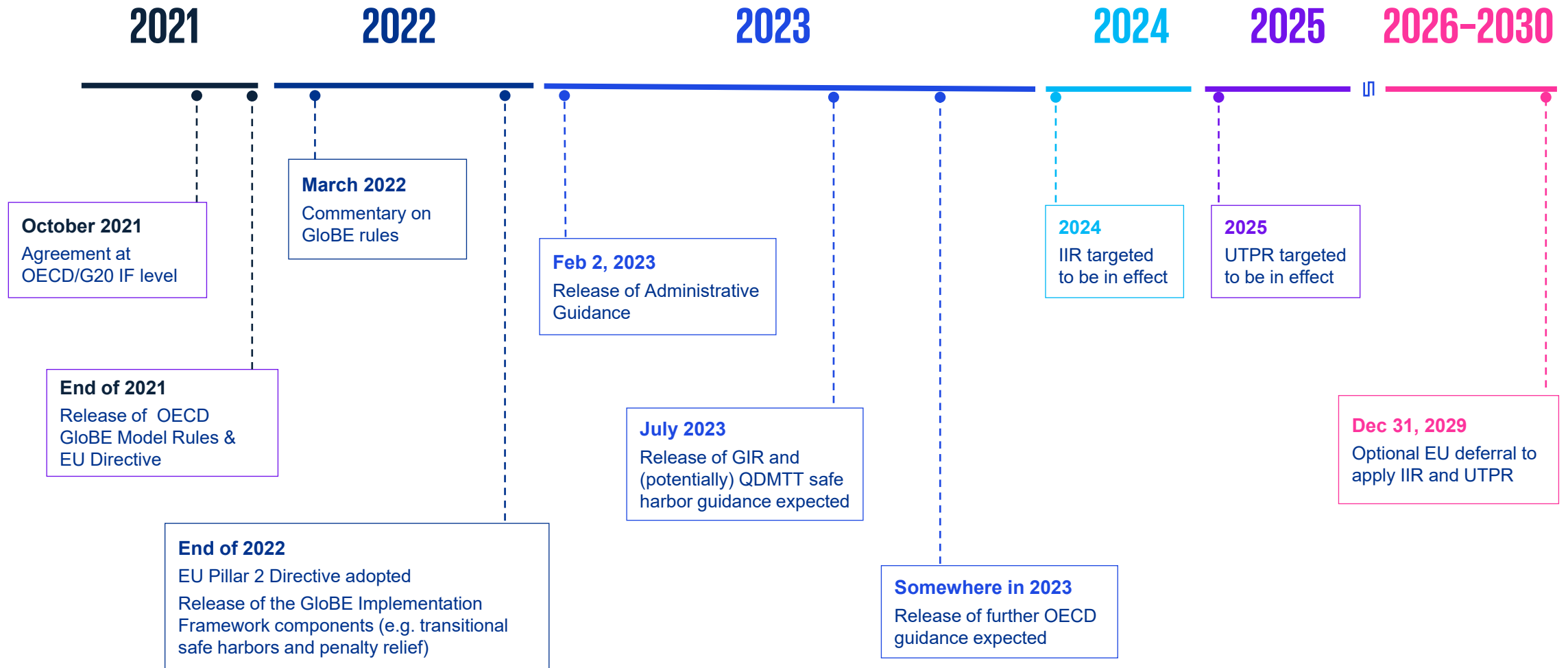
This document is intended to provide a high-level overview of administrative and legislative developments in jurisdictions around the world related to the implementation of Pillar Two of the OECD's BEPS 2.0 project. It does not represent, and should not be viewed as representing an exhaustive listing of the relevant news and developments with respect to the implementation of BEPS 2.0 — Pillar Two.

This document should not be viewed as tax advice or an opinion or as accounting advice or an opinion, and it should not be relied upon for penalty protection or for any other purpose except achieving general familiarity with the subject matter thereof.

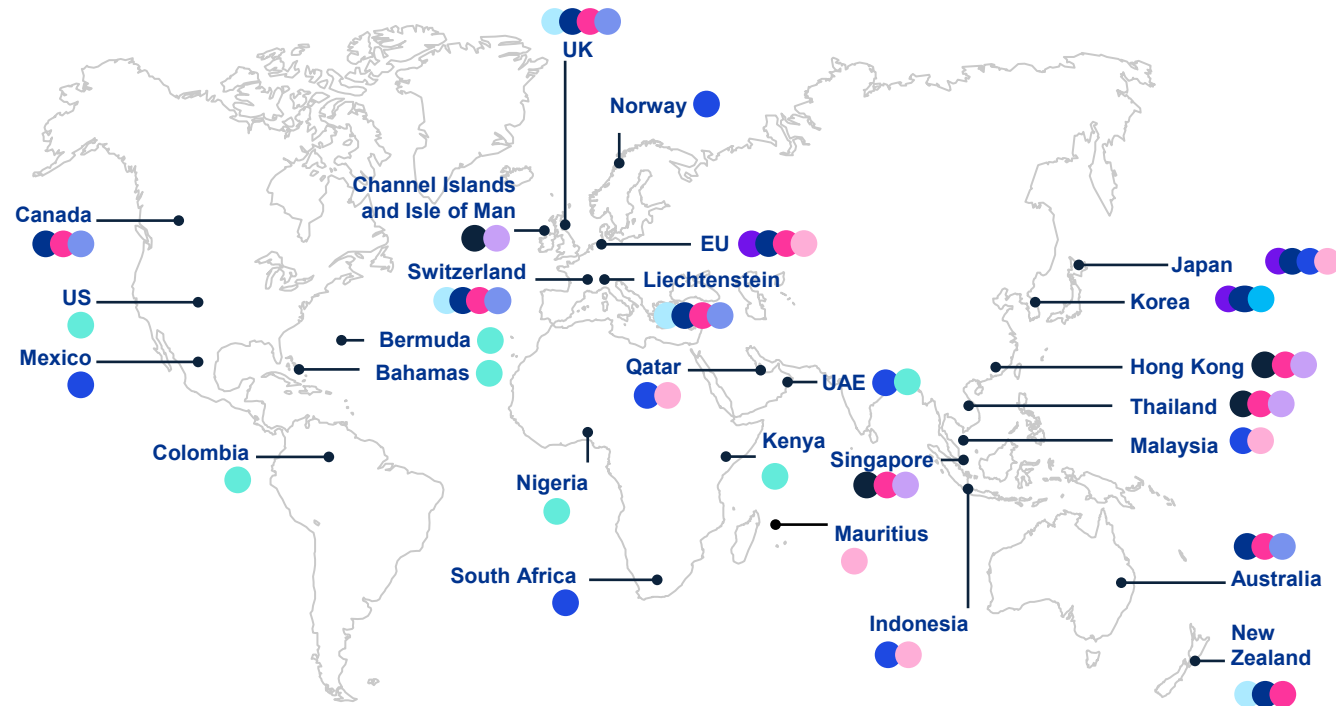


# **Timeline & Global overview**

# BEPS 2.0 | Pillar Two - timeline



# Pillar Two – Global overview | 1



## Legend

- Legislation passed/approved
- Draft legislation released
- IIR (2024)
- IIR (2025)
- UTPR (2024)
- UTPR (2025)
- Intention to apply IIR/UTPR (timing uncertain)
- DMTT (2024)
- DMTT (2025)
- Intention/option to apply DMTT (timing uncertain)
- Other related legislation/announcement

# Pillar Two – Global overview | 2

## Legislation passed / approved

- EU Directive (December 2022)
- Japan (March 2023) – IIR legislation
- Korea (December 2022)

## Draft legislation released

- Czech Republic (May 2023)
- Germany (March 2023)
- Ireland (March 2023)
- Liechtenstein (March 2023)
- Netherlands (October 2022)
- New Zealand (May 2023)
- Sweden (March 2023)
- Switzerland (May 2023)
- United Kingdom (March 2023)

## IIR (2024)

- Australia
- Canada
- EU – potential deferrals where few UPEs
- Japan
- Korea
- Liechtenstein
- New Zealand
- Switzerland
- United Kingdom

## IIR (2025)

- Channel Islands (Guernsey, Jersey) and Isle of Man
- Hong Kong (SAR), China
- Singapore
- Thailand

## Intention to apply IIR and UTPR (timing uncertain)

- Indonesia
- Japan (UTPR)
- Malaysia
- Mexico
- Norway
- Qatar
- South Africa
- UAE

## UTPR (2024)

- Korea (?)

## UTPR (2025)

- Australia
- Canada
- EU –potential deferrals where few UPEs
- Hong Kong (SAR), China
- Liechtenstein
- New Zealand
- Singapore
- Switzerland (?)
- Thailand
- United Kingdom

## DMTT (2024)

- Australia
- Canada
- Czech Republic
- Germany
- Ireland
- Liechtenstein
- Netherlands
- Sweden
- Switzerland
- United Kingdom

## DMTT (2025)

- Channel Islands (Guernsey, Jersey) and Isle of Man
- Hong Kong (SAR), China
- Singapore
- Thailand

## Intention to apply DMTT (timing uncertain)

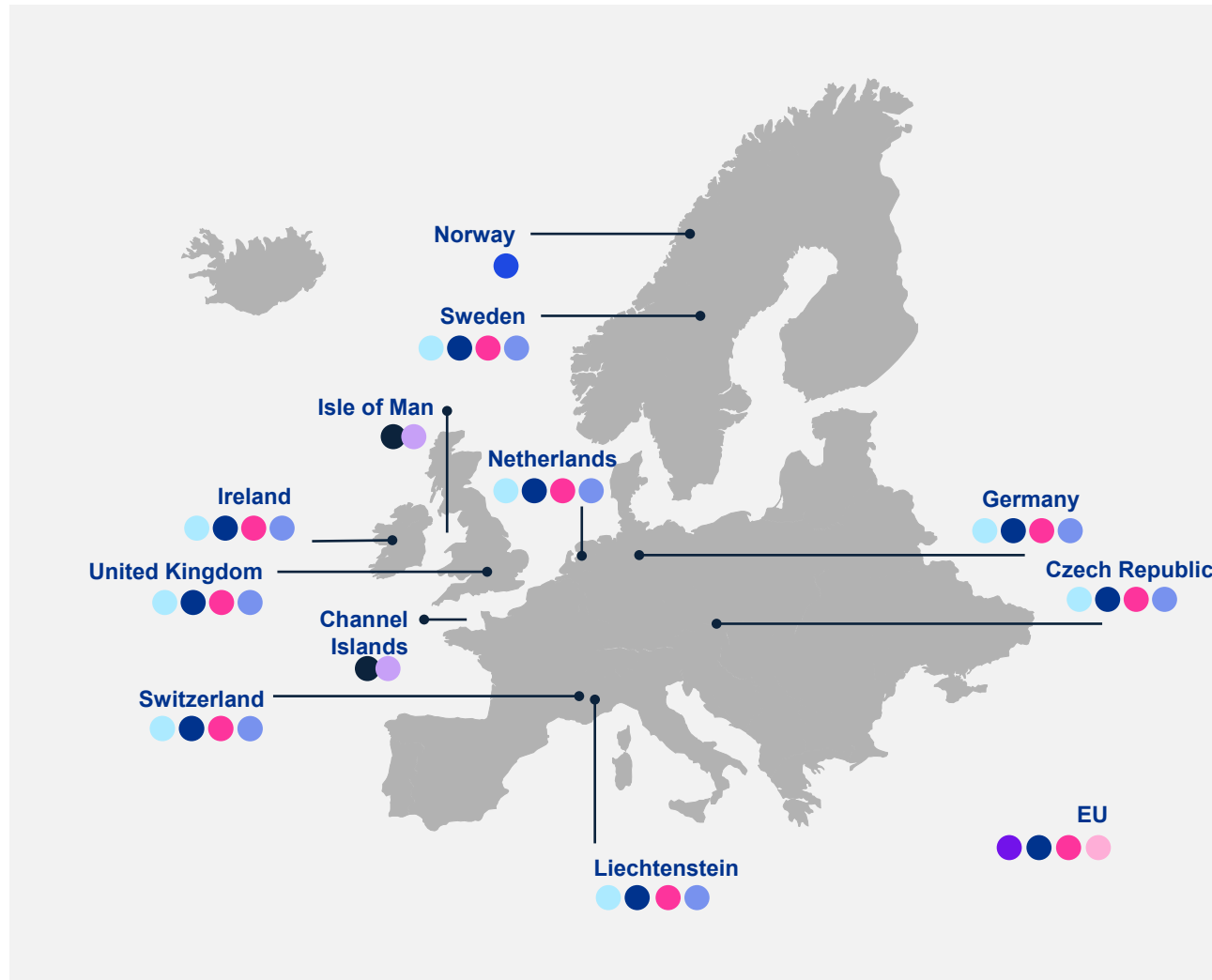
- EU (optional)
- Indonesia
- Japan
- Malaysia
- Mauritius
- Qatar

## Other related announcements

- Bahamas – consultation on policy measures to introduce Pillar Two compliant CIT system
- Bermuda – policy measures to address impact of Pillar Two under consideration
- Colombia 2022 tax reform – 15% minimum tax
- Kenya – plans to review DST and to adopt two-pillar solution
- Nigeria – policy measures to address impact of Pillar Two under consideration
- UAE new corporate tax 9%
- US corporate alternative minimum tax enacted 15% (not Pillar 2 compliant)

**Europe**

# Pillar Two — state of play | Europe



## Legend

- Legislation passed/approved
- Intention to apply IIR/UTPR (timing uncertain)
- Draft legislation released
- DMTT (2024)
- IIR (2024)
- DMTT (2025)
- IIR (2025)
- Intention/option to apply DMTT (timing uncertain)
- UTPR (2024)
- Other related legislation/announcement
- UTPR (2025)

# Pillar Two – state of play | European Union

European Union	Announcement	Consultation	(Draft) legislation	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
<b>EU</b>	Official Plan	Completed	<a href="#">Directive adopted</a>	2024*	2025*	optional	<a href="#">EU Tax Centre alert</a>
<b>Czech Republic</b>	Official Plan	Ongoing	<a href="#">Draft law</a>	2024	2025	2024	<a href="#">EU Tax Centre alert</a>
<b>Germany</b>	Official Plan	Completed	<a href="#">Draft law</a>	2024	2025	2024	<a href="#">EU Tax Centre alert</a> <a href="#">Local tax alert</a>
<b>Ireland</b>	Official Plan	Completed	<a href="#">Draft legislation</a>	2024	2025	2024	<a href="#">EU Tax Centre alert</a>
<b>Netherlands</b>	Official Plan	Completed	<a href="#">Draft law</a>	2024	2025	2024	<a href="#">Local tax alert</a>
<b>Sweden</b>	Official Plan	Completed	<a href="#">Interim report</a>	2024	2025	2024	<a href="#">EU Tax Centre alert</a> <a href="#">Local tax alert</a>
<b>Belgium, France, Italy, Spain</b>	Formal Indication			2024	2025	uncertain	<a href="#">Tax News Flash</a>

\* Option to defer implementation to 31 December 2029 in case of max. 12 UPEs (EU countries with likely no more than 12 UPEs include *Bulgaria, Croatia, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Romania, Slovenia and Slovakia*)



# Pillar Two — state of play | Europe (outside EU)

Rest of Europe	Announcement	Consultation	(Draft) legislation	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
<b>Liechtenstein</b>	Official Plan	Ongoing	<a href="#">Draft law</a>	2024	2025	2024	<a href="#">EU Tax Centre alert</a>
<b>Switzerland</b>	Official Plan	Ongoing (second)	<a href="#">Draft ordinance</a>	2024	2025?	2024	<a href="#">Local tax alert</a>
<b>United Kingdom</b>	Official Plan	Completed	<a href="#">Draft law</a>	2024	2025*	2024	<a href="#">Local tax alert</a>
<b>Channel Islands** and Isle of Man</b>	Formal indication			2025		2025	<a href="#">Tax News Flash</a>
<b>Norway</b>	Formal indication			timing uncertain	timing uncertain	uncertain	

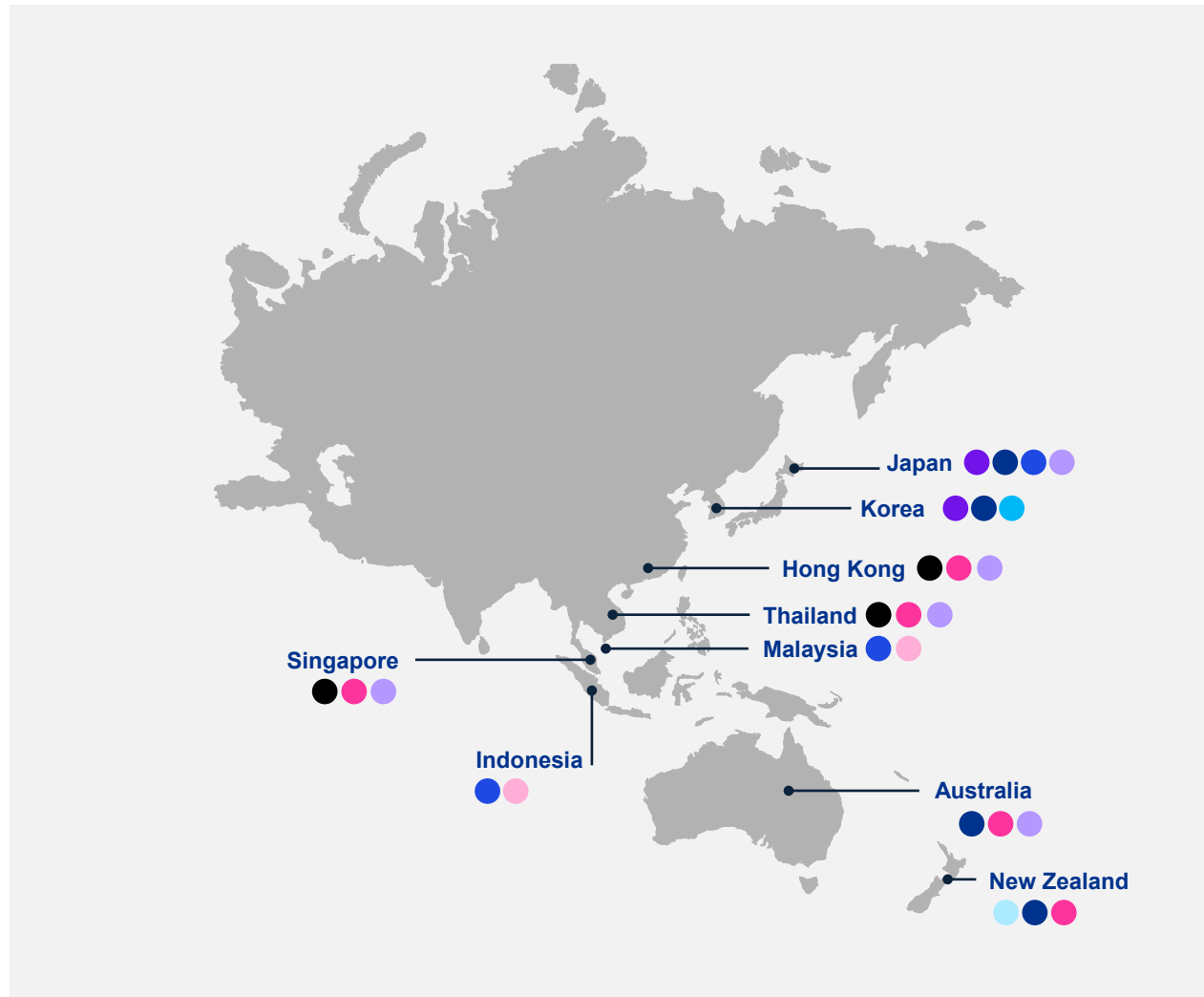
\* UK UTPR legislation pending

\*\* Guernsey and Jersey

- **Official plan** – Program for implementation with dates
- **Formal indication** – Written document issued by the government stating an intent to implement
- **Informal indication** – MOF officials in the country have said at seminars that they plan to implement

**Asia Pacific**

# Pillar Two — state of play | Asia Pacific



## Legend

- Legislation passed/approved
- Draft legislation released
- IIR (2024)
- IIR (2025)
- UTPR (2024)
- UTPR (2025)
- Intention to apply IIR/UTPR (timing uncertain)
- DMTT (2024)
- DMTT (2025)
- Intention to apply DMTT (timing uncertain)
- Other related legislation/announcement

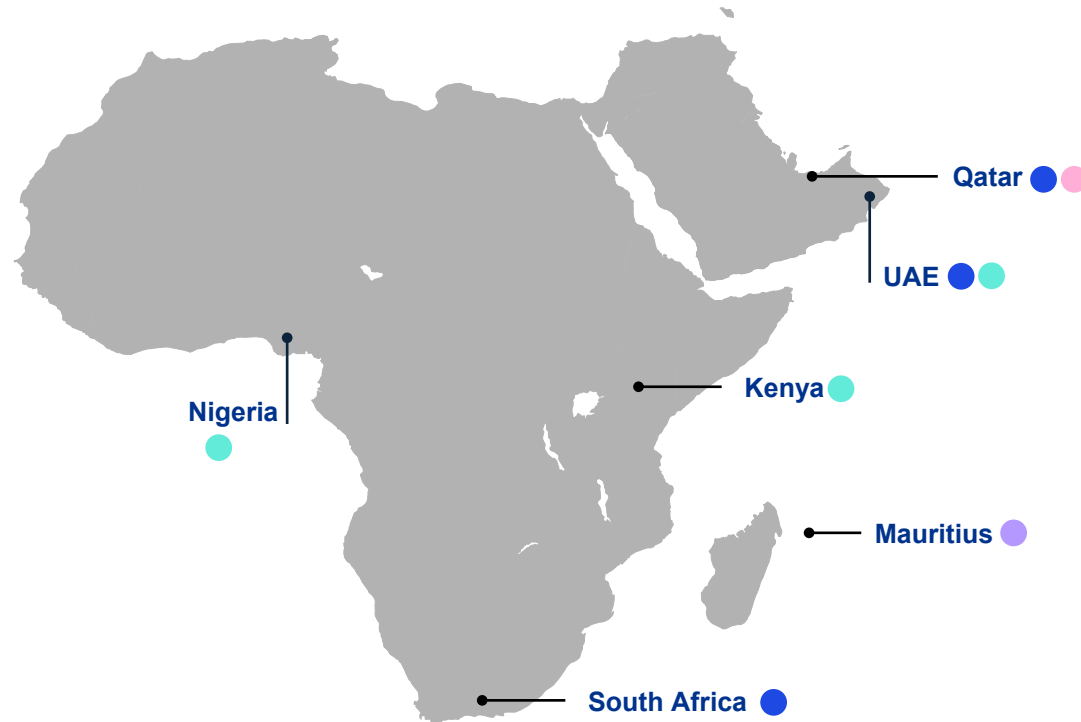
# Pillar Two — state of play | Asia Pacific

Asia Pacific	Announcement	Consultation	(Draft) legislation	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
<b>Australia</b>	Official Plan	Completed		2024	2025	2024	<a href="#">Local tax alert</a>
<b>Japan</b>	Official Plan		Adopted (IIR)	April 2024	April 2025 (estimated)	April 2025 (estimated)	<a href="#">Local tax alert</a>
<b>Hong Kong (SAR)</b>	Official Plan	Q4		2025	2025 or later	2025	<a href="#">Tax News Flash</a>
<b>Korea</b>	Official Plan		Adopted	2024	2024	uncertain	<a href="#">Local tax alert</a>
<b>New Zealand</b>	Official Plan		<a href="#">Draft law</a>	2024 or later	2025 or later		<a href="#">Local tax alert</a>
<b>Singapore</b>	Official Plan	Q3		2025	2025	2025	<a href="#">Local tax alert</a>
<b>Thailand</b>	Official Plan			2025	2025	2025	<a href="#">Local tax alert</a>
<b>Indonesia</b>	Formal indication			timing uncertain	uncertain	timing uncertain	
<b>Malaysia</b>	Formal Indication	Completed		timing uncertain	timing uncertain	timing uncertain	

- **Official plan** – Program for implementation with dates
- **Formal indication** – Written document issued by the government stating an intent to implement
- **Informal indication** – MOF officials in the country have said at seminars that they plan to implement

# Middle East and Africa

# Pillar Two — state of play | Middle East and Africa



## Legend

- Legislation passed/approved
- Draft legislation released
- IIR (2024)
- IIR (2025)
- UTPR (2024)
- UTPR (2025)
- Intention to apply IIR/UTPR (timing uncertain)
- DMTT (2024)
- DMTT (2025)
- Intention/option to apply DMTT (timing uncertain)
- Other related legislation/announcement

# Pillar Two — state of play | Middle East and Africa

Middle East & Africa	Announcement	Consultation	(Draft) legislation	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
<b>Mauritius</b>	Formal Indication			uncertain	uncertain	timing uncertain	<a href="#">Local tax alert</a>
<b>Qatar</b>	Formal Indication			timing uncertain	timing uncertain	timing uncertain	<a href="#">Local tax alert</a>
<b>South Africa</b>	Formal Indication	Expected in 2023	Expected in 2024	timing uncertain	timing uncertain	uncertain	<a href="#">Local tax alert</a>
<b>UAE</b>	Formal Indication			timing uncertain	timing uncertain	uncertain	<a href="#">EU Tax Centre alert</a>
<b>ATAF</b>	Other						<a href="#">EU Tax Centre alert</a>
<b>Kenya</b>	Other						<a href="#">EU Tax Centre alert</a>
<b>Nigeria</b>	Other						<a href="#">EU Tax Centre alert</a>

- **Official plan** – Program for implementation with dates
- **Formal indication** – Written document issued by the government stating an intent to implement
- **Informal indication** – MOF officials in the country have said at seminars that they plan to implement

**Americas**



# Pillar Two — state of play | Americas



## Legend

- Legislation passed/approved
- Draft legislation released
- IIR (2024)
- IIR (2025)
- UTPR (2024)
- UTPR (2025)
- Intention to apply IIR/UTPR (timing uncertain)
- DMTT (2024)
- DMTT (2025)
- Intention/option to apply DMTT (timing uncertain)
- Other related legislation/announcement

# Pillar Two — state of play | Americas

Americas	Announcement	Consultation	(Draft) legislation	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Canada	Official Plan			2024	2025	2024	<a href="#">Local tax alert</a>
Mexico	Formal indication			timing uncertain	timing uncertain	uncertain	<a href="#">Tax News Flash</a>
Bahamas	Other	<a href="#">Ongoing</a>					Consultation on policy measures to introduce Pillar Two compliant CIT system
Bermuda	Other						Policy measures to address impact of Pillar Two under consideration
Colombia	Other						Corporate minimum tax of 15% adopted. Unclear whether may qualify as QDMTT
United States	Other						Corporate alternative minimum tax of 15 percent adopted (general understanding that CAM-T is not IIR equivalent)

- **Official plan** – Program for implementation with dates
- **Formal indication** – Written document issued by the government stating an intent to implement
- **Informal indication** – MOF officials in the country have said at seminars that they plan to implement

# Contacts

## **Grant Wardell-Johnson**

Global Tax Policy Leader  
KPMG International  
E: [Grant.WardellJohnson@kpmg.co.uk](mailto:Grant.WardellJohnson@kpmg.co.uk)

## **Vinod Kalloe**

EMA Regional Tax Policy Leader  
KPMG in the Netherlands  
E: [Kalloe.Vinod@kpmg.com](mailto:Kalloe.Vinod@kpmg.com)

## **Danielle Rolfes**

Partner in Charge  
Washington National Tax  
KPMG in the US  
E: [drolfes@kpmg.com](mailto:drolfes@kpmg.com)

## **Conrad Turley**

ASPAC Regional Tax Policy Leader  
KPMG China  
E: [Conrad.Turley@kpmg.com](mailto:Conrad.Turley@kpmg.com)

## **Alistair Pepper**

Managing Director  
Economic & Valuation Services  
Washington National Tax  
KPMG in the US  
E: [alistairpepper@KPMG.com](mailto:alistairpepper@KPMG.com)

## **Marcus Heyland**

Managing Director  
Economic and Valuation Services  
Washington National Tax  
KPMG in the US  
E: [mheyland@kpmg.com](mailto:mheyland@kpmg.com)

## **Raluca Enache**

Head of KPMG's EU Tax Centre  
KPMG EU Tax Centre  
E: [renache@kpmg.com](mailto:renache@kpmg.com)

## **Marco Dietrich**

Manager  
KPMG's EU Tax Centre  
KPMG in Germany  
E: [marcodietrich@kpmg.com](mailto:marcodietrich@kpmg.com)

## **Tam Do**

Senior Manager  
Corporate Tax Consulting  
KPMG in Singapore  
E: [tamdo@kpmg.com.sg](mailto:tamdo@kpmg.com.sg)

## **Federica Porcari**

Manager  
Washington National Tax  
KPMG in the US  
E: [fporcari1@kpmg.com](mailto:fporcari1@kpmg.com)

## **Daniel Winkle**

Tax Director  
Strategic Corporates  
KPMG International  
E: [daniel.winkle@kpmg.co.uk](mailto:daniel.winkle@kpmg.co.uk)



Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2023 Copyright owned by one or more of the KPMG International entities. KPMG International entities provide no services to clients. All rights reserved..

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. For more detail about our structure please visit [kpmg.com/governance](https://kpmg.com/governance).

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.