

BEPS 2.0: state of play

KPMG Global Tax & Legal | 10 May 2023

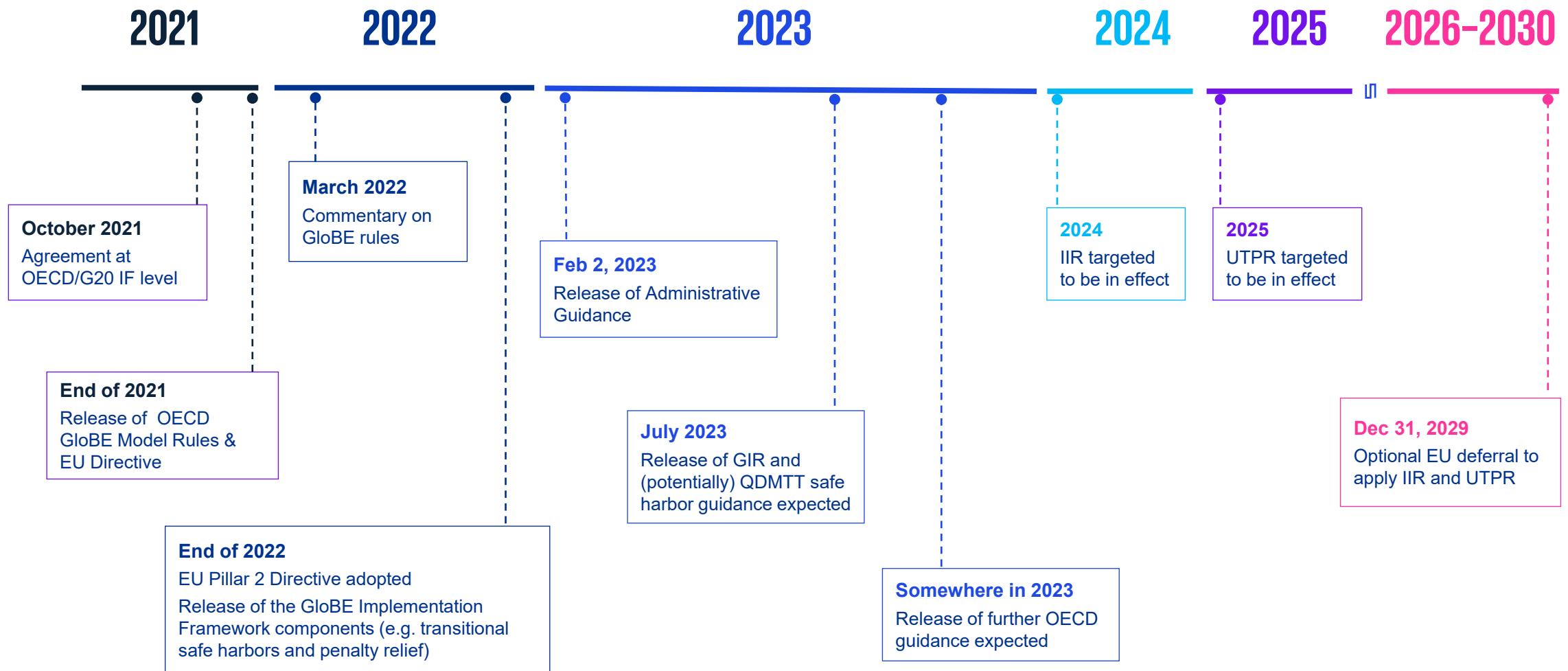
This document is intended to provide a high-level overview of administrative and legislative developments in jurisdictions around the world related to the implementation of Pillar Two of the OECD's BEPS 2.0 project. It does not represent, and should not be viewed as representing an exhaustive listing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

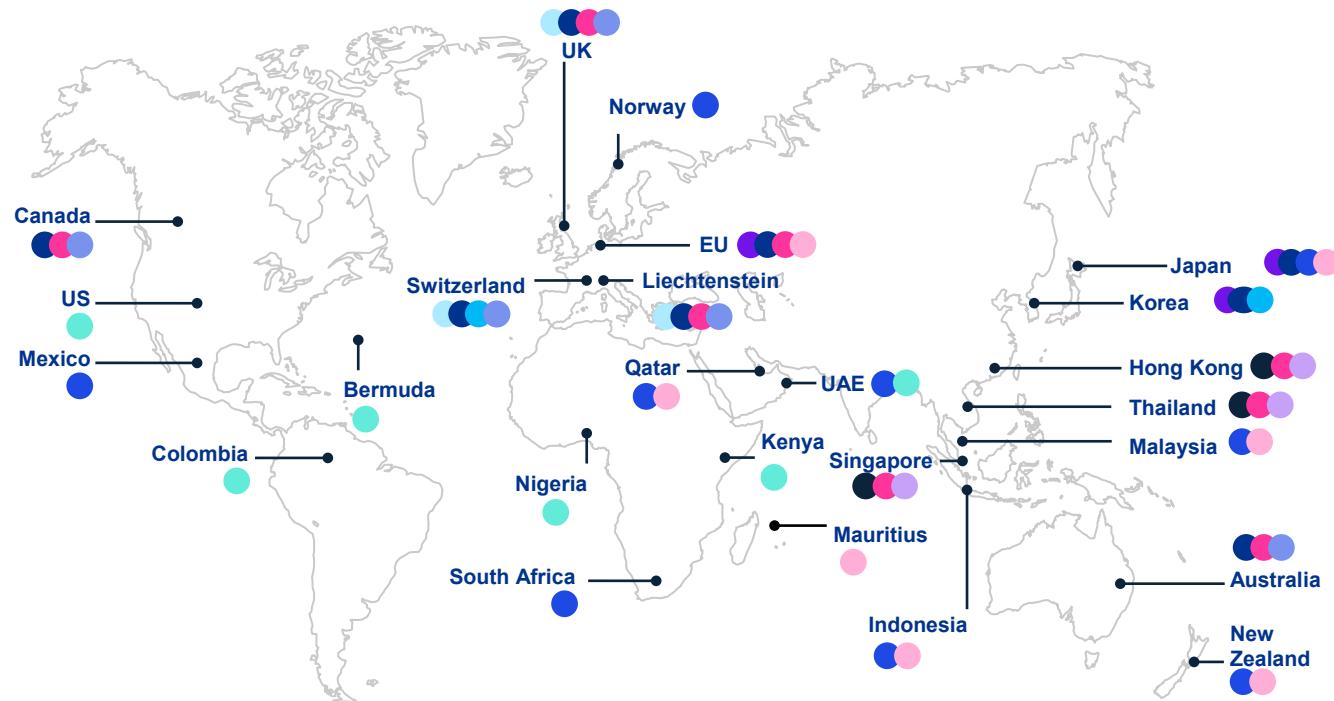


Timeline & Global overview

BEPS 2.0 | Pillar Two - timeline



Pillar Two – Global overview | 1



Legend

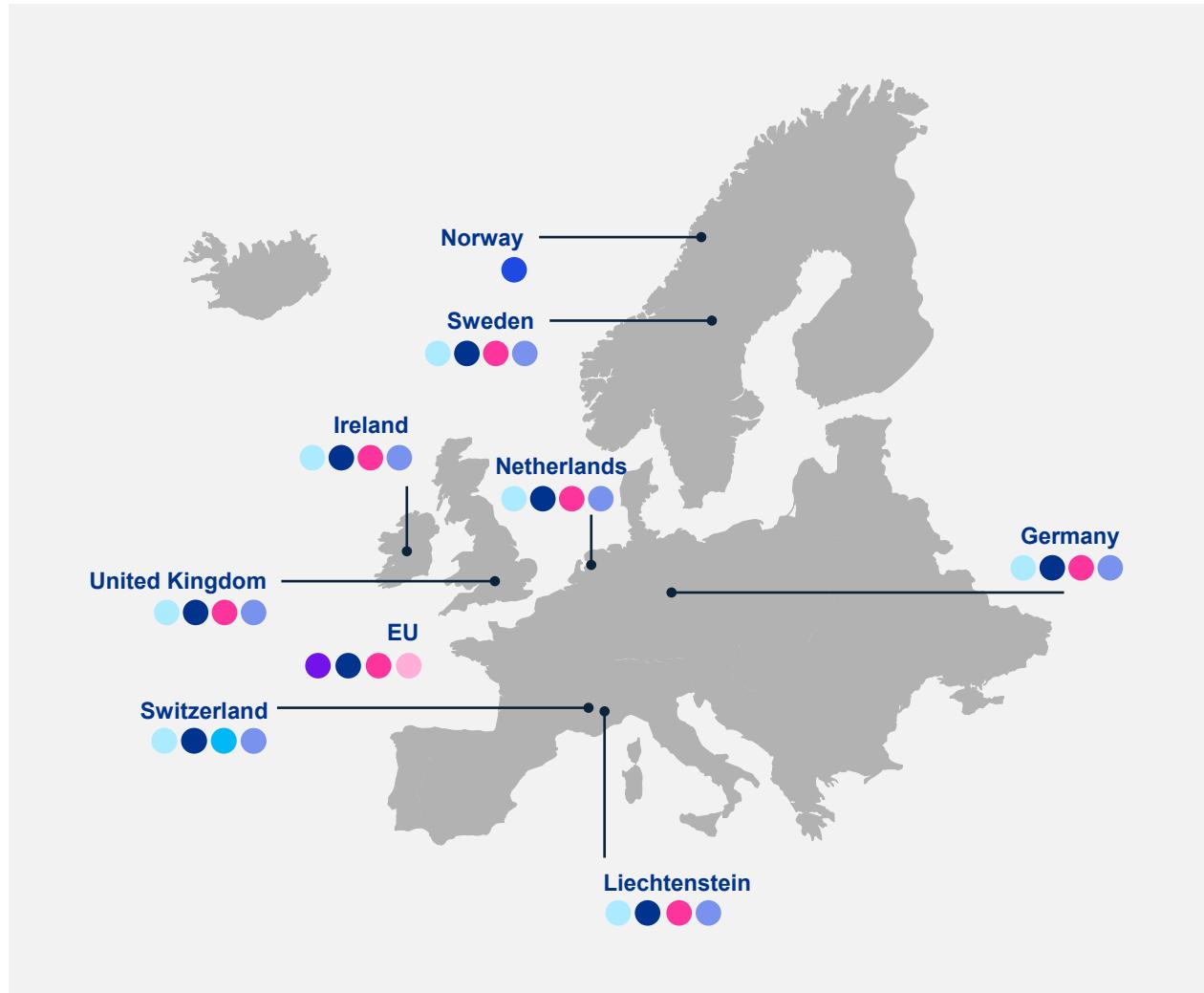
Legislation passed/approved	Intention to apply IIR/UTPR (timing uncertain)
Draft legislation released	DMTT (2024)
IIR (2024)	DMTT (2025)
IIR (2025)	Intention/option to apply DMTT (timing uncertain)
UTPR (2024)	UTPR (2025)
Other related legislation/announcement	

Pillar Two – Global overview | 2

<p>Legislation passed / approved</p> <ul style="list-style-type: none">EU Directive (December 2022)Japan (March 2023) – IIR legislationKorea (December 2022)	<p>IIR (2024)</p> <ul style="list-style-type: none">AustraliaCanadaEU – potential deferrals where few UPEsJapanKoreaLiechtensteinSwitzerlandUnited Kingdom	<p>UTPR (2024)</p> <ul style="list-style-type: none">Korea (?)Switzerland (?)	<p>DMTT (2024)</p> <ul style="list-style-type: none">AustraliaCanadaGermanyIrelandLiechtensteinNetherlandsSwedenSwitzerlandUnited Kingdom	<p>Other related announcements</p> <ul style="list-style-type: none">Bermuda – policy measures to address impact of Pillar Two under considerationColombia 2022 tax reform – 15% minimum taxKenya – plans to review DST and to adopt two-pillar solutionNigeria – policy measures to address impact of Pillar Two under considerationUAE new corporate tax 9%US corporate alternative minimum tax enacted 15% (not Pillar 2 compliant)
<p>Draft legislation released</p> <ul style="list-style-type: none">Germany (March 2023)Ireland (March 2023)Liechtenstein (March 2023)Netherlands (October 2022)Sweden (March 2023)Switzerland (August 2022)United Kingdom (March 2023)	<p>IIR (2025)</p> <ul style="list-style-type: none">Hong Kong (SAR), ChinaSingaporeThailand	<p>UTPR (2025)</p> <ul style="list-style-type: none">AustraliaCanadaEU – potential deferrals where few UPEsHong Kong (SAR), ChinaLiechtensteinSingaporeThailandUnited Kingdom	<p>DMTT (2025)</p> <ul style="list-style-type: none">Hong Kong (SAR), ChinaSingaporeThailand	
	<p>Intention to apply IIR and UTPR (timing uncertain)</p> <ul style="list-style-type: none">IndonesiaJapan (UTPR)MalaysiaMexicoNorway	<ul style="list-style-type: none">New ZealandQatarSouth AfricaUAE	<p>Intention to apply DMTT (timing uncertain)</p> <ul style="list-style-type: none">EU (optional)IndonesiaJapanMalaysiaMauritiusNew ZealandQatar	

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)	Undntaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
EU	Official Plan	Completed	Directive adopted	2024*	2025*	optional	EU Tax Centre alert
Germany	Official Plan	Completed	Draft law	2024	2025	2024	EU Tax Centre alert Local tax alert
Ireland	Official Plan	Ongoing	Draft legislation	2024	2025	2024	EU Tax Centre alert
Netherlands	Official Plan	Completed	Draft law	2024	2025	2024	Local tax alert
Sweden	Official Plan	Ongoing	Interim report	2024	2025	2024	EU Tax Centre alert Local tax alert
Belgium	Formal Indication			2024	2025	uncertain	
France	Formal Indication			2024	2025	uncertain	Tax News Flash
Italy	Formal Indication			2024	2025	uncertain	
Spain	Formal Indication			2024	2025	uncertain	

* 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)

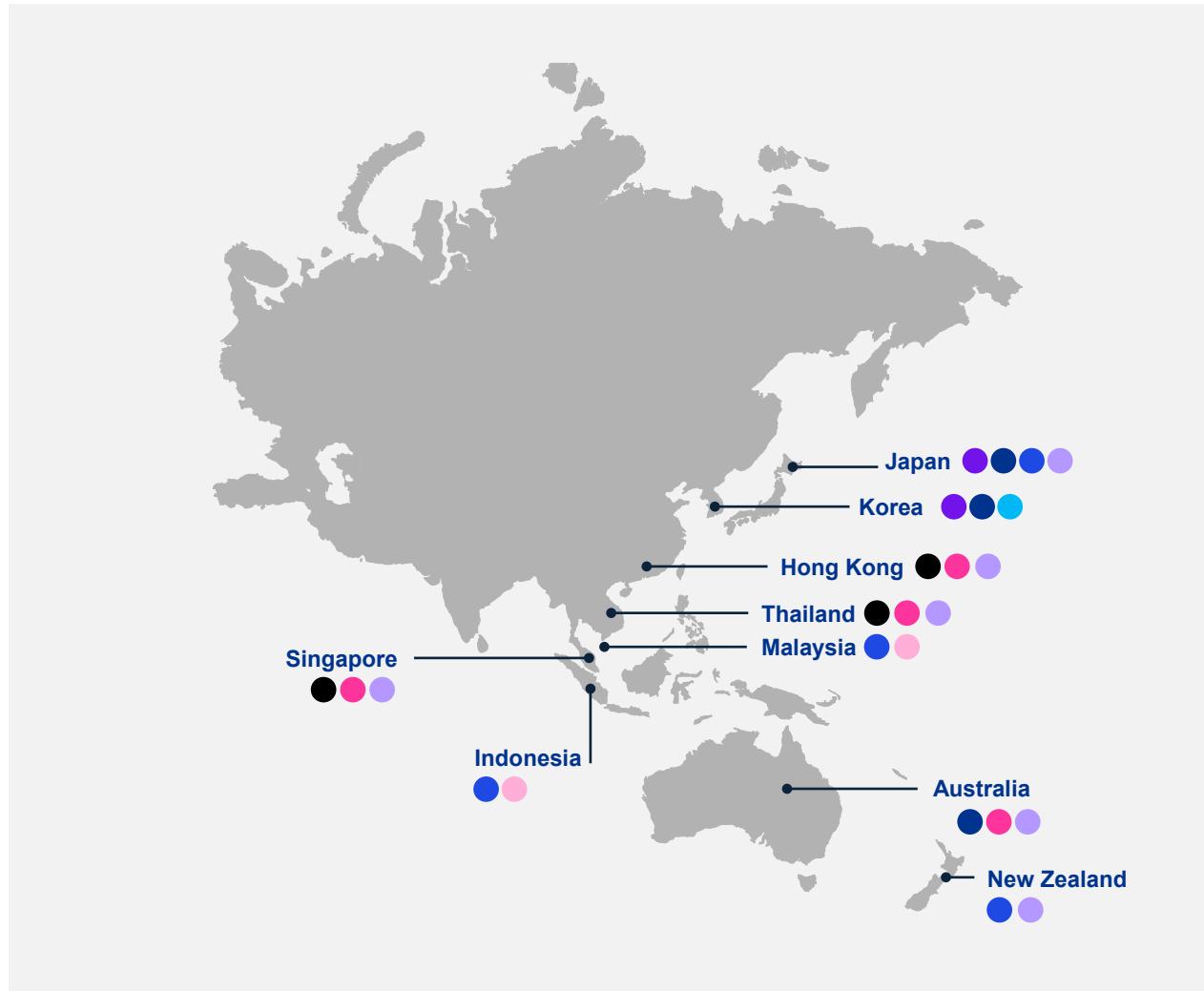
Rest of Europe	Announcement	Consultation	(Draft) legislation	Income Inclusion Rule (IIR)	Undntaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Liechtenstein	Official Plan	Ongoing	Draft law	2024	2025	2024	EU Tax Centre alert
Switzerland	Official Plan	Completed	Draft ordinance	2024	2024?	2024	Local tax alert
United Kingdom	Official Plan	Completed	Draft law	2024	2025*	2024	Local tax alert
Norway	Formal indication			timing uncertain	timing uncertain	uncertain	

* UK UTPR legislation pending

- **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
- 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)

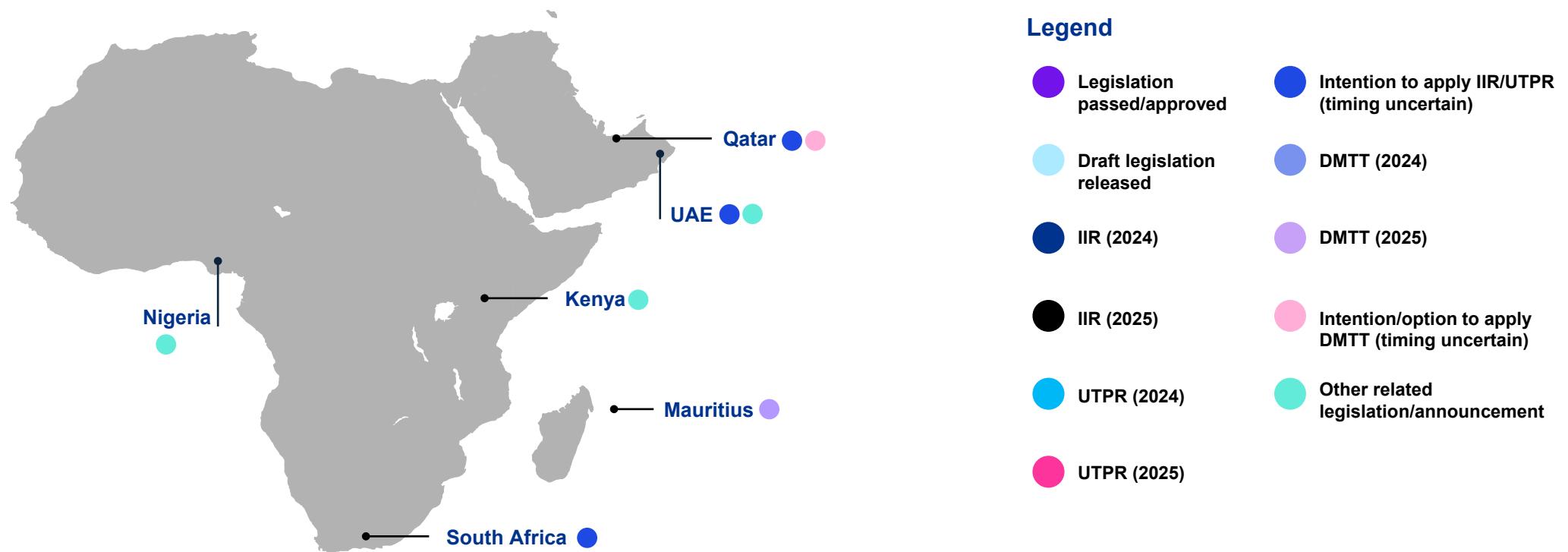
Pillar Two – state of play | Asia Pacific

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

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Middle East and Africa

Pillar Two – state of play | Middle East and Africa



Pillar Two – state of play | Middle East and Africa

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

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Americas

Pillar Two – state of play | Americas



Legend

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● 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 | Americas

Americas	Announcement	Consultation	(Draft) legislation	Income Inclusion Rule (IIR)	Undntaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Canada	Official Plan			2024	2025	2024	Local tax alert
Mexico	Formal indication			timing uncertain	timing uncertain	uncertain	Tax News Flash
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)

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