

19th Session of the UN Committee of Experts on International Cooperation in Tax Matters



15-18 October 2019, Palais des Nations, Geneva, Switzerland

WHAT DOES THE COMMITTEE DO?

The UN Tax Committee generates practical guidance for governments, tax administrators and taxpayers on fundamental and frontier issues in international tax cooperation. It operates within the broader efforts to mobilize financing and other support for sustainable development. It works by advancing deep understanding and technical mastery of the issues, as well as supporting effective mobilization of domestic resources on the ground, especially in least developed countries and others in special situations, including small island states and landlocked countries.

The Committee is a 25-person group of tax experts nominated by Member States and chosen by the Secretary-General. The Committee seeks to help prevent “double taxation” (the same or related taxpayers being taxed by two countries on the same profits) and “non-taxation” (avoidance of taxation on profits in any country). It works hard to produce guidance that is relatively simple to understand and feasible to administer. Much of the work is carried out in between sessions through its subcommittees set up to deal with specific issues.

During its 19th Session, the Committee will review draft chapters for several handbooks, manuals and guidelines being developed and expected to be ready in 2020 and 2021, before it concludes its current four-year term. Draft chapters or papers on the topics highlighted below will be the backbone of the session.

WHAT'S ON THE AGENDA FOR THE 19th SESSION??

Taxation and SDGs

Tuesday, 15 October, 10:20 – 11:15

The Committee will address the role of taxation in effectively raising domestic resources to finance the Sustainable Development Goals (SDGs). It will focus on issues related to taxation of the informal economy and environmental taxation. It will discuss initiatives to collect and widely disseminate relevant information, as well as ways of framing practical guidance to support country efforts to best deal with such issues. Its discussions will build on the latest [ECOSOC Special Meeting on International Cooperation in Tax Matters](#) (New York, 29 April 2019) and the Workshop on Tax Base Protection and Tax Measures in Support of the SDGs (Nairobi, 10-13 June 2019).

Environmental Taxation

Tuesday, 15 October, 11:30 – 13:00

The Committee will discuss key topics in environmental taxation, including policy design for a carbon tax, its implementation, and how any tax exemption would work depending on the country context. The Committee will give a first review to a draft chapter on carbon tax design to feature in a new Handbook on Carbon Taxation. Its discussion will build on the 7-9 August meeting in Brussels of its subcommittee on environmental taxation.

Manual on Transfer Pricing

Tuesday, 15 October, 15:00 – 17:00

The Committee has developed a practical approach to address the complex issue of profit shifting, one that adheres to the well-accepted “arm’s length” principle: comparing actual pricing with what such pricing would be in a competitive market. The Committee works now on a new version of the Manual, even more usable and practical, including new content on financial transactions and profit splits. It will assess the work progress with a report from the subcommittee meeting held in Amsterdam on 2-4 July and review draft chapters on financial transactions and profits splits. It will also examine for the first time a draft chapter on centralized procurement functions.

Extractive Industries Taxation

Wednesday, 16 October, 10:00 – 11:45

As part of its effort to continuously improve the quality of its guidance and responsiveness to changing contexts and country needs, the Committee is updating its Handbook on Extractive Industries Taxation Issues for Developing Countries. The update will feature several new chapters, including one on Tax Incentives in Extractive Industries, a focus of the meeting of the relevant subcommittee in Aberdeen on 20-22 August. The Committee will give a first review to the draft chapter, with a view to finalizing it during the 20th Session.

The Update of the UN Model Double Taxation Convention

Wednesday, 16 October, 12:00 – 13:00 and 15:00 – 16:45

The Committee will discuss key topics that will be part of the update of the UN Model Double Taxation Convention between Developed and Developing Countries, widely drawn upon by developing countries in their treaties. The Committee will discuss: the concept of “beneficial ownership”; the possible modification of Article 13 (Capital gains) of the UN Model, in order to address offshore indirect transfers (OIT) of assets other than immovable property situated in source country; and the policy considerations underlying the application of tax treaties to collective investment vehicles.

Tax consequences of the Digitalized Economy

Wednesday, 16 October, 16:45 – 18:00

The Committee will discuss a new first draft paper produced by the subcommittee considering tax issues related to the digitalization of the economy. The paper mainly will explain and evaluate proposals internally developed or developed in other forums and describe the advantages and disadvantages of them, giving special attention to the interests of developing countries, administrability, fairness and certainty.

The Taxation of Official Development Projects (ODA)

Thursday, 17 October, 12:00 – 13:00

The Addis Agenda encourages countries not to request tax exemptions on goods and services delivered as government-to-government Official Development Assistance (ODA), starting with renouncing repayments of value-added taxes and import levies. At its 18th Session in April 2019, the Committee had a first discussion of updated previous draft guidelines that seek to address comprehensively the issue of special exemptions claimed for ODA projects. The relevant subcommittee has revised the draft guidelines in the light of the comments made. During this session, the Committee will review the revised draft guidelines, with a view to their approval in April 2020.

Dispute Avoidance and Resolution

Thursday, 17 October, 15:00 – 17:00

The Committee provides practical guidance on avoiding and resolving tax disputes between countries. During this session, it will advance work on its proposed Handbook on Tax Dispute Avoidance and Resolution. Having adopted the chapter on Mutual Agreement procedure at its last meeting, it will now aim to finalize the chapter on Domestic Dispute Resolution Mechanisms. It will also have a first discussion of chapters dealing with arbitration and the possible use of non-binding dispute resolution mechanisms as part of the mutual agreement procedure.

Relationship Between Tax and Trade and Investment Treaties

Friday, 18 October, 10:00 – 10:50

At the 18th Session, the Committee endorsed work at the secretariat level on the development of a paper on some of the issues arising from the interaction of tax and certain bilateral, regional or multilateral trade or investment treaties; and on the development of a guide on how to address claims under non-tax treaties against tax measures and pre-emptively deal with them, including through risk assessment, avoidance and mitigation. The Secretariat will provide a progress report to the 19th Session.

Capacity-building

Friday, 18 October, 10:50 – 12:40

UNDESA provides training and carries out technical cooperation activities on tax matters at the global, regional and national levels. It offers various capacity building tools, including on-line courses and publications. For more information, visit our [website](http://www.un.org/esa/ffd/topics/capacity-development-tax-cooperation.html) (www.un.org/esa/ffd/topics/capacity-development-tax-cooperation.html). During the 19th Session, the Secretariat will inform the Committee about its latest and forthcoming capacity building activities under this programme. The Committee will discuss possible areas for training events to be organized back-to-back with subcommittee meetings, to facilitate the dynamic interaction between its policy work and capacity building. It will also discuss UNDESA's engagement in the work of the Platform for Collaboration on Tax (a collaborative initiative of the IMF, OECD, UN and World Bank), including joint tax capacity-building efforts.

HOW DO I PARTICIPATE?

All meetings above are formally closed sessions but open to registered participants and UN badge holders.

Please use this link to register for the 19th Session: <https://reg.unog.ch/event/19357/>

Registration closes on Monday, 7 October 2019, at 6pm, New York time.

Website: www.un.org/esa/ffd/events/event/nineteenth-session-tax.html

Please note that all timings are provisional only, subject exigencies of the Committee's work.

