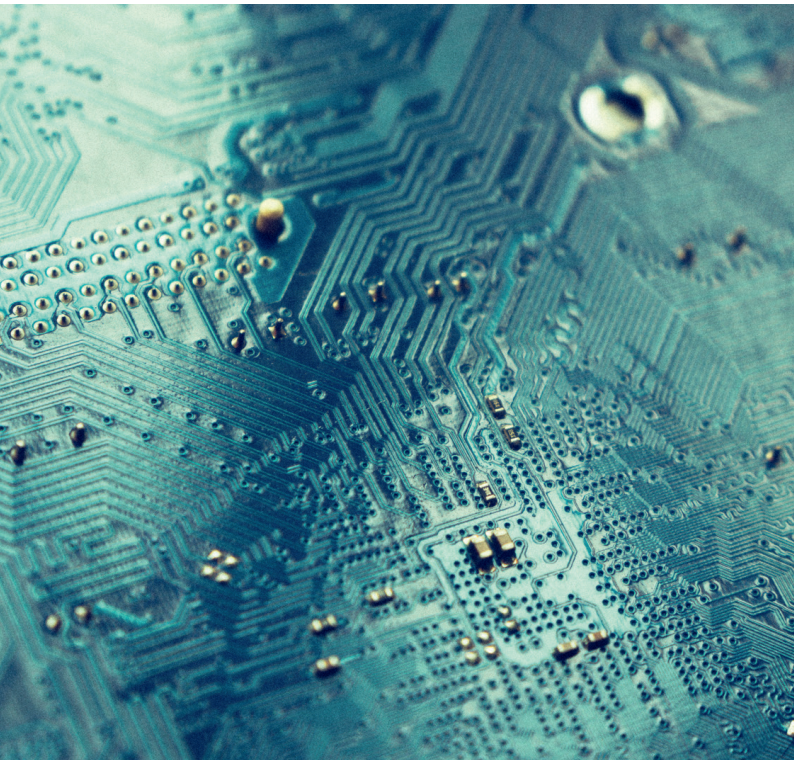


wts CbCR-2-XML

Implement the XML structure to meet the legal requirements of Country-by-Country-Reporting

Secure access | No data storage |

Web-based service



Implementation of the XML structure to meet legal requirements within the framework of the CbCR

Situation

Since 1 January 2016, the OECD Action Plan represents (BEPS - Base erosion and profit shifting) additional forward-looking statements to the transfer pricing documentation of multinational corporations. Supplementary to previous requirements, the BEPS Action Plan 13 calls for the country-by-country reporting (CbCR). The transfer pricing documentation was extended to a three-part documentation set. This OECD guideline has already been transposed into national law in most countries.

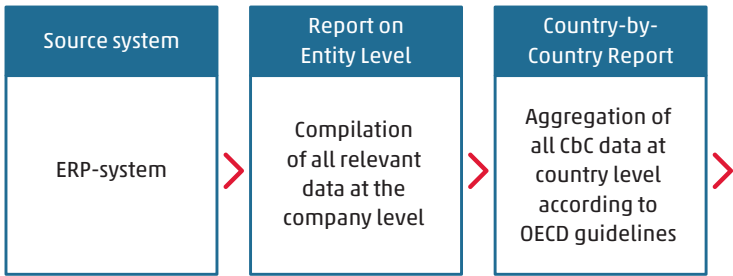
The OECD provides a standardized XML structure which is relevant to all participating states. This is intended to standardize country-by-country data to enable an automated exchange between the States involved. To this XML structure, the OECD posted a corresponding user guide¹ on 22 March 2016.

Challenge

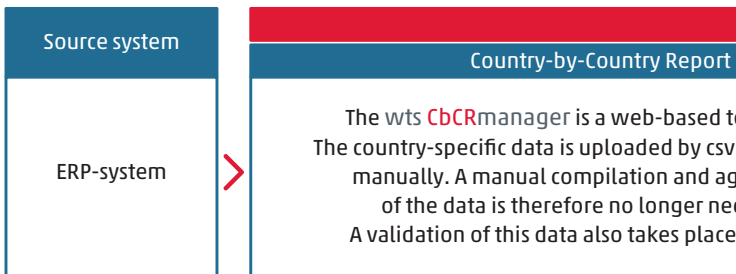
The User Guide for the XML structure published by the OECD is complex in content and sometimes unclear. In addition, the requirements of the XML Scheme and the User Guide exceeded the sample tables 1 to 3 of Action Plan 13 published by the OECD. Thus a high degree of cooperation between tax and IT experts is necessary to meet OECD requirements. The reason for this is the required expertise in relation to pricing (especially CbCR) and programming in the area of Extensible Markup Language (XML).

¹ Country-by-Country Reporting XML Scheme: User Guide for Tax Administration and Taxpayers, OECD.

Transmission process: Country-by-Country Reporting



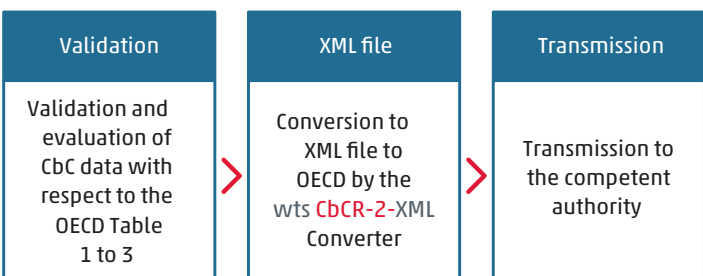
Alternativ: wts C



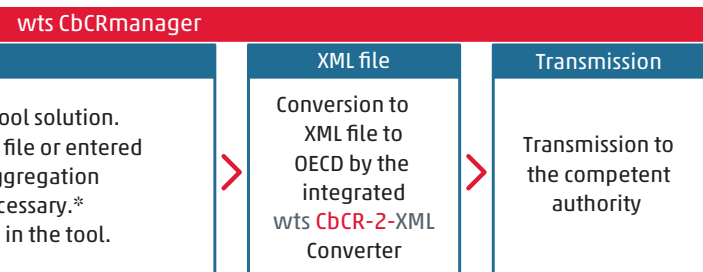
* Additional risk analysis by the KPI integrated in the wts CbCRmanager

Our IT solution: WTS CbCR-2-XML

Our online tool meets the requirements of the comprehensive OECD User Guide to create the required XML file. The CbCR-2-XML converter covers the technical conversion of country-specific data into the required structure. Country specific data is uploaded into the web-based tool via csv files (e.g. from Microsoft Excel). In the next step, the converter transforms the imported data into the required electronic XML format of the OECD. The converted file is ready for export and can be transmitted to the responsible authority. In Germany the CBC reports are delivered to the BZSt via DE-Mail (from 01.01.2019 on the upload will be done via ELMA / BZSt Online Portal).



CbCRmanager



The CbCR-2-XML converter complements our service portfolio in the context of CbCR. We at WTS continue to offer an independent tool solution that enables data validation and risk analysis in addition to the submission of data (WTS CbCRmanager). In addition, WTS offers an integrated solution to support the entire transfer pricing documentation process (WTS TPmanager).

Your benefits at a glance

In summary, the CbCR-2-XML converter offers the following benefits for reportable companies:

- › Low requirements on the initial data format; an Excel report is sufficient as a basis for the csv file to be converted (standardized import files are specified)
- › Avoidance of input and conversion errors due to manual transfer to the correct data structure
- › Compliance with OECD requirements
- › WTS does not store any data when using the CbCR-2-XML
- › The CbCR-2-XML converter is hosted on WTS servers in Germany
- › Additional option of preparing an individual risk report based on the submitted CbCR data

Risk report by WTS

In addition to our online tool, WTS offers an individual risk report in relation to your CbC data.

As a result of this report, the legal obligations of reporting on a country by country basis are transformed into an additional benefit. The risk report prepared by WTS (based on the CbCRmanager) interprets graphically displayed key performance indicators of your company group. The resulting acquisition of information represents a considerable added value and enables you to identify errors in the data basis or potential risks.

Contact

Lars Franke

Consultant

Digitalization & IT Solutions

Phone +49 (0) 221 348936-263

lars.franke@wts.de

WTS ITAX GmbH

Sachsenring 83

50677 Cologne

Patrick Frenzel

Director

Digitalization & IT Solutions

Phone +49 (0) 221 348936-262

patrick.frenzel@wts.de

WTS ITAX GmbH

Sachsenring 83

50677 Cologne

wts.com/de

wts