



BEPS 2.0: state of play

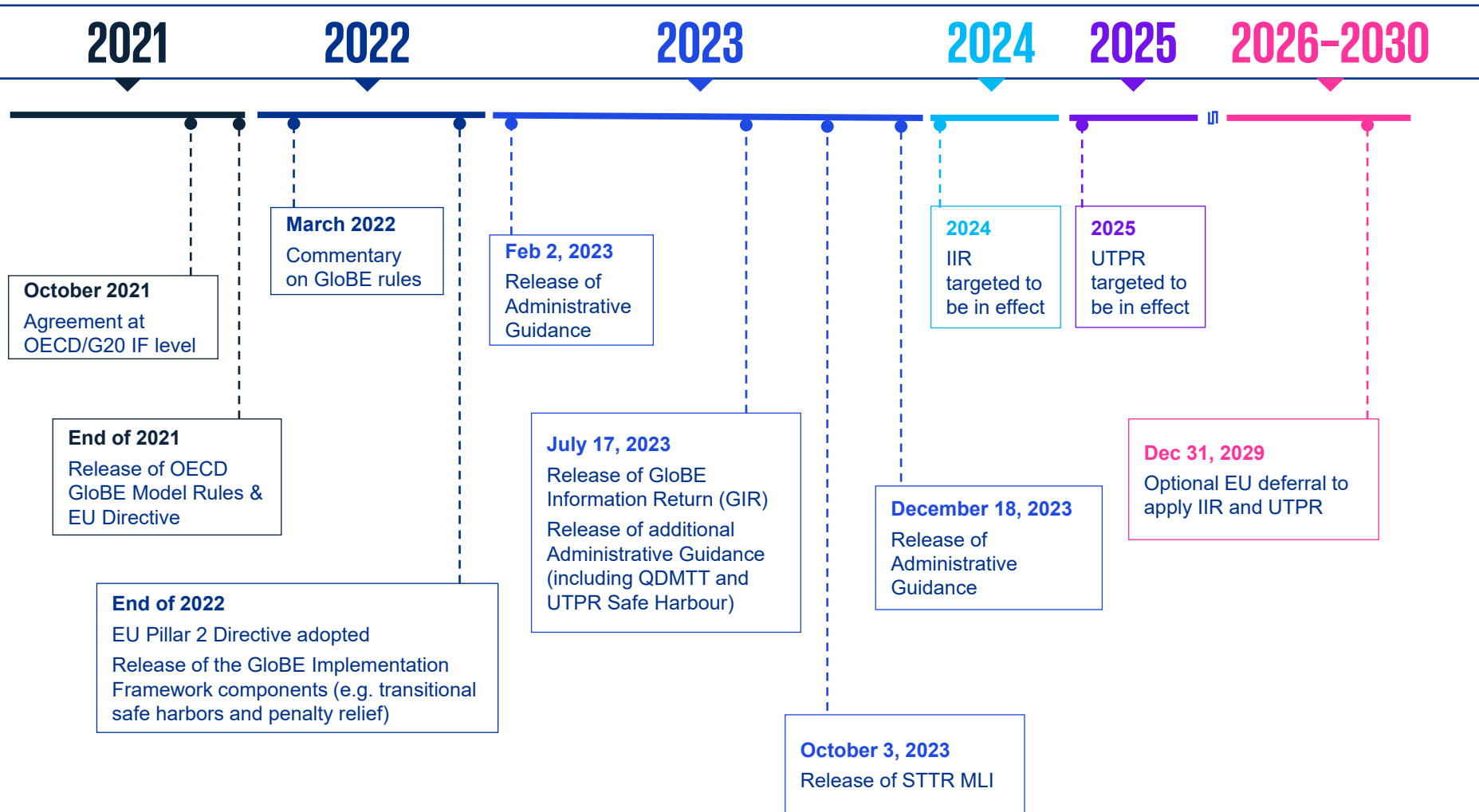
KPMG Global Tax & Legal | 10 January 2024

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.

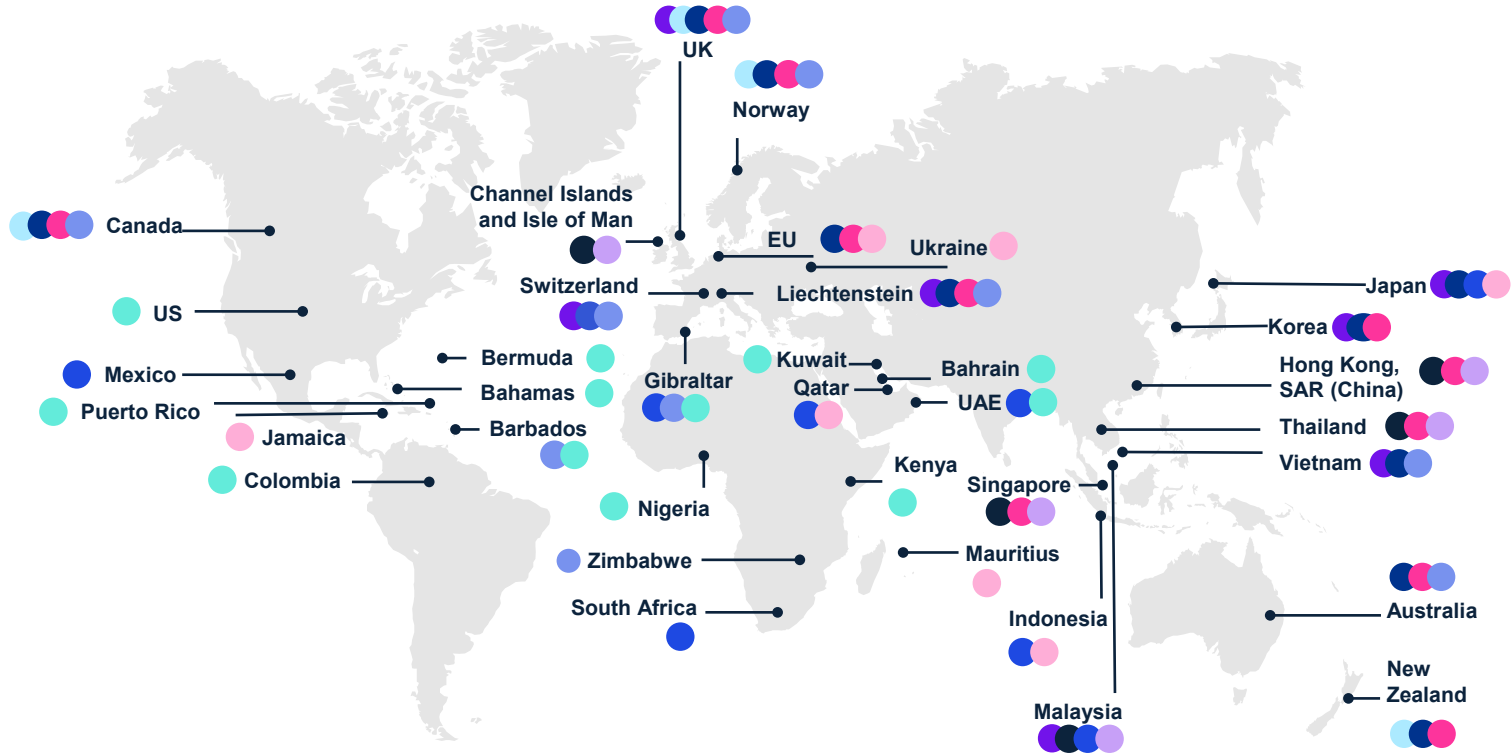
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Timeline and global overview

BEPS 2.0 | Pillar Two – Timeline



Pillar Two — Global overview | 1



Legend

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

Pillar Two — Global overview | 2

Legislation passed/approved

- Austria (Dec 2023)
- Belgium (Dec 2023)
- Bulgaria (Dec 2023)
- Croatia (Dec 2023)
- Czech Republic (Dec 2023)
- Denmark (Dec 2023)
- EU Directive (Dec 2022)
- Finland (Dec 2023)
- France (Dec 2023)
- Germany (Dec 2023)
- Hungary (Nov 2023)
- Ireland (Dec 2023)
- Italy (Dec 2023)
- Japan – IIR (March 2023)
- Korea (Dec 2022)
- Liechtenstein (Dec 2023)
- Luxembourg (Dec 2023)
- Malaysia (Dec 2023)
- Netherlands (Dec 2023)
- Romania (Dec 2023)
- Slovakia (Dec 2023)
- Slovenia (Dec 2023)
- Sweden (Dec 2023)
- Switzerland – DMTT (Dec 2023)
- United Kingdom (June 2023)
- Vietnam (Dec 2023)

Draft legislation

- Canada (Aug 2023)
- Cyprus (Oct 2023)
- Estonia (Oct 2023)
- Latvia (Dec 2023)
- Lithuania (Oct 2023)
- New Zealand (May 2023)
- Norway (Nov 2023)
- Spain (Dec 2023)

DMTT (2024)

- Austria
- Australia
- Barbados
- Belgium
- Bulgaria
- Canada
- Croatia
- Czech Republic
- Denmark
- Finland
- France
- Germany
- Gibraltar
- Hungary
- Ireland
- Italy
- Liechtenstein (?)
- Luxembourg
- Netherlands
- Norway
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- United Kingdom
- Vietnam
- Zimbabwe

DMTT (2025)

- Cyprus
- Guernsey
- Isle of Man
- Jersey
- Hong Kong (SAR), China
- Lithuania
- Malaysia
- Singapore
- Thailand

Intention to apply DMTT (timing uncertain)

- EU (optional)
- Indonesia
- Jamaica
- Japan
- Mauritius
- Qatar
- Ukraine

IIR (2024)

- Australia
- Canada
- EU*
- Japan
- Korea
- Liechtenstein (?)
- New Zealand
- Norway
- United Kingdom
- Vietnam

IIR (2025)

- Guernsey
- Hong Kong (SAR), China
- Isle of Man
- Jersey
- Malaysia
- Singapore
- Thailand

UTPR (2025)

- Australia
- Canada
- EU*
- Hong Kong (SAR), China
- Korea
- Liechtenstein (?)
- New Zealand
- Norway (?)
- Singapore
- Thailand
- United Kingdom















Intention to apply IIR and UTPR (timing uncertain or deferred)

- Estonia (deferral)
- Gibraltar
- Indonesia
- Japan (UTPR)
- Latvia (deferral)
- Lithuania (deferral)
- Malaysia (UTPR)
- Malta (deferral)
- Mexico
- Qatar
- Slovakia (deferral)
- South Africa
- Switzerland
- UAE

* Option to defer implementation to 31 December 2029 in case of max. 12 UPEs

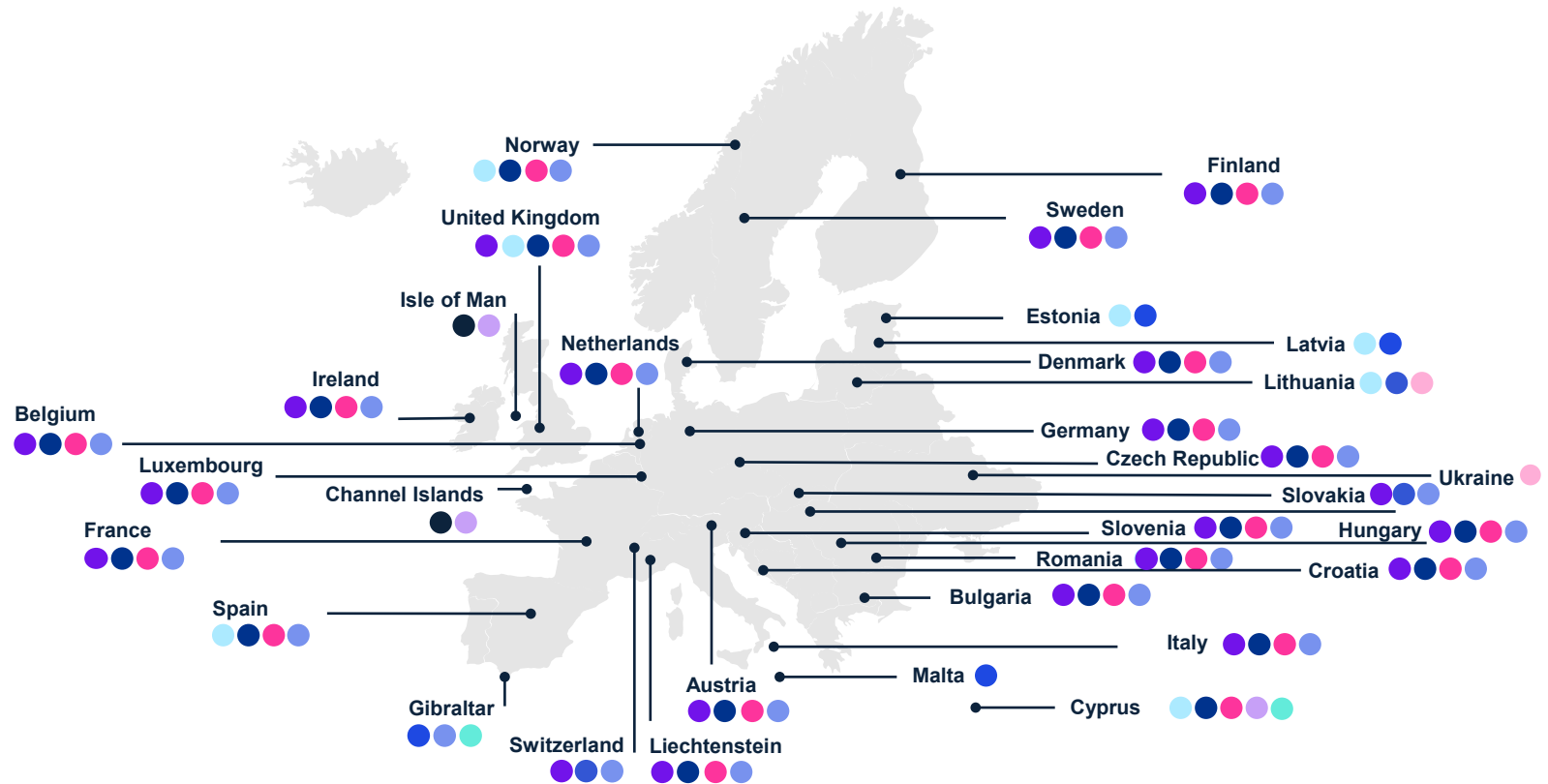
Pillar Two — Global overview | 3

Other related announcements

Bahamas 	▶ Considering the introduction of a CIT as part of its commitment to the OECD minimum tax	Kenya 	▶ Plans to review DST and to adopt two-pillar solution
Bahrain 	▶ Considering the introduction of a CIT as part of its commitment to the OECD minimum tax	Kuwait 	▶ Plans to introduce business profit tax at a rate of 15%
Barbados 	▶ Plans to introduce a 9% CIT rate	Nigeria 	▶ Policy measures to address impact of Pillar Two under consideration
Bermuda 	▶ Legislative proposal to introduce a CIT in response to the OECD Pillar Two initiative	Puerto Rico 	▶ Draft legislation aiming to introduce an election to pay 15% minimum tax
Cyprus 	▶ Consent to transitional CbyC and UTPR Safe Harbour as well as permanent QDMTT Safe Harbour	UAE 	▶ New corporate tax 9 percent
Colombia 	▶ 2022 tax reform — 15 percent minimum tax	US 	▶ Corporate alternative minimum tax enacted 15 percent (not Pillar 2 compliant)
Gibraltar 	▶ Policy measures to address impact of Pillar Two under consideration	US 	▶ Republican Committee introduced two bills with UTPR defensive measure

Europe

Pillar Two — State of play | Europe



Legend

- Legislation passed/approved
- Draft legislation released
- IIR (2024)
- IIR (2025)
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- Intention to apply IIR/UTPR (timing uncertain or deferred)
- DMTT (2024)
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- Intention/option to apply DMTT (timing uncertain)
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Pillar Two — State of play | European Union (1|3)

European Union	Status	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
EU	<u>Directive</u> adopted	2024*	2025*	optional	<u>EU Tax Centre alert</u>
Austria	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Belgium	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Bulgaria	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	
Croatia	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>EU Tax Centre alert</u>
Cyprus	Consultation on <u>draft law</u> ended	2024	2025	2025	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Czech Republic	Legislation <u>enacted</u>	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Denmark	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>

*Option to defer implementation to 31 December 2029 in case of max. 12 UPEs (this option was exercised by *Estonia, Latvia Lithuania, Malta, and Slovakia*). In addition, *Cyprus, Greece, Poland, Portugal and Spain* have missed the transposition deadline (Dec 31, 2023). It remains to be seen whether the rules will apply retroactively once implemented.

- **E23** — Legislation “enacted” for accounting purposes in 2023
- **SE23** — Legislation “substantively enacted” for accounting purposes in 2023

Pillar Two — State of play | European Union (2|3)

European Union	Status	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Estonia	Draft bill released	Deferred	Deferred	uncertain	EU Tax Centre alert
Finland	Legislation enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	EU Tax Centre alert
France	Legislation enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	Local tax alert EU Tax Centre alert
Germany	Legislation enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	Local tax alert EU Tax Centre alert
Hungary	Legislation enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	EU Tax Centre alert
Ireland	Legislation enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	Local tax alert EU Tax Centre alert
Italy	Legislation enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	EU Tax Centre alert
Latvia	Draft bill released	Deferred	Deferred		
Lithuania	Draft bill released	Deferred	Deferred	2025 or later	EU Tax Centre alert

- [E23](#) — Legislation “enacted” for accounting purposes in 2023
- [SE23](#) — Legislation “substantively enacted” for accounting purposes in 2023

Pillar Two — State of play | European Union (3|3)

European Union	Status	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Luxembourg	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Malta	Formal indication	Deferred	Deferred	uncertain	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Netherlands	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Romania	<u>Legislation</u> enacted	2024 SE23 / E24	2025 SE23 / E24	2024 SE23 / E24	<u>EU Tax Centre alert</u>
Slovakia	<u>Legislation</u> enacted	Deferred	Deferred	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Slovenia	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>EU Tax Centre alert</u>
Spain	<u>Draft bill</u> released	2024	2025	2024	
Sweden	<u>Legislation</u> enacted	2024 SE23 / E23	2025 SE23 / E23	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>

- **E23** — Legislation “enacted” for accounting purposes in 2023
- **E24** — Legislation “enacted” for accounting purposes in 2024
- **SE23** — Legislation “substantively enacted” for accounting purposes in 2023

Pillar Two — State of play | Europe (outside EU)

Rest of Europe	Status	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
United Kingdom	<u>Legislation enacted</u> ; consultation on draft <u>amendments</u> ongoing	2024 SE23 / E23	2025	2024 SE23 / E23	Local tax alerts (<u>April 2023</u> ; <u>July 2023</u> ; <u>September 2023</u>) <u>EU Tax Centre alert</u>
Liechtenstein	<u>Legislation enacted</u> **	2024? SE23 / E23	2025? SE23 / E23	2024? SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Norway	<u>Bill</u> submitted to Parliament	2024	2025?*	2024	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Switzerland	<u>Ordinance enacted</u> - (DMTT)	timing uncertain	timing uncertain	2024 SE23 / E23	<u>Local tax alert</u> <u>EU Tax Centre alert</u>
Channel Islands*** and Isle of Man	Formal indication	2025		2025	<u>Tax News Flash</u>
Gibraltar	<u>Formal indication</u>	timing uncertain	timing uncertain	2024	<u>EU Tax Centre alert</u>
Ukraine	<u>Formal indication</u>			timing uncertain	

* UTPR legislation pending

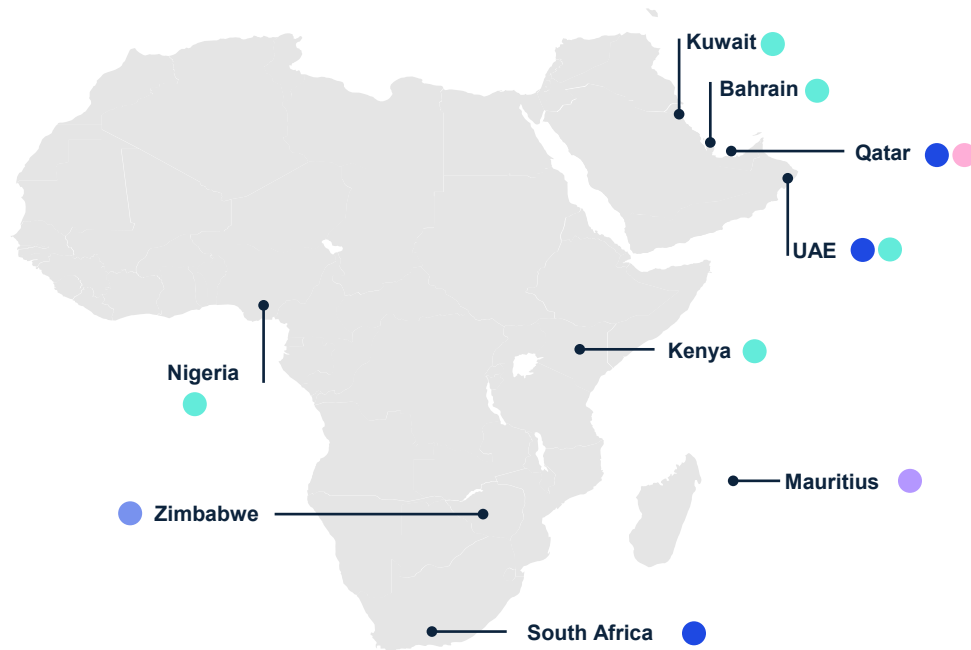
** Government authorized to set the application start dates by decree

*** Guernsey and Jersey

- **Official plan** — Program for implementation with dates
- **Formal indication** — Written document issued by the government stating an intent to implement
- **E23** — Legislation “enacted” for accounting purposes in 2023
- **SE23** — Legislation “substantively enacted” for accounting purposes in 2023

Middle East and Africa

Pillar Two — State of play | Middle East and Africa



Legend

- Legislation passed/approved
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Pillar Two — State of play | Middle East and Africa

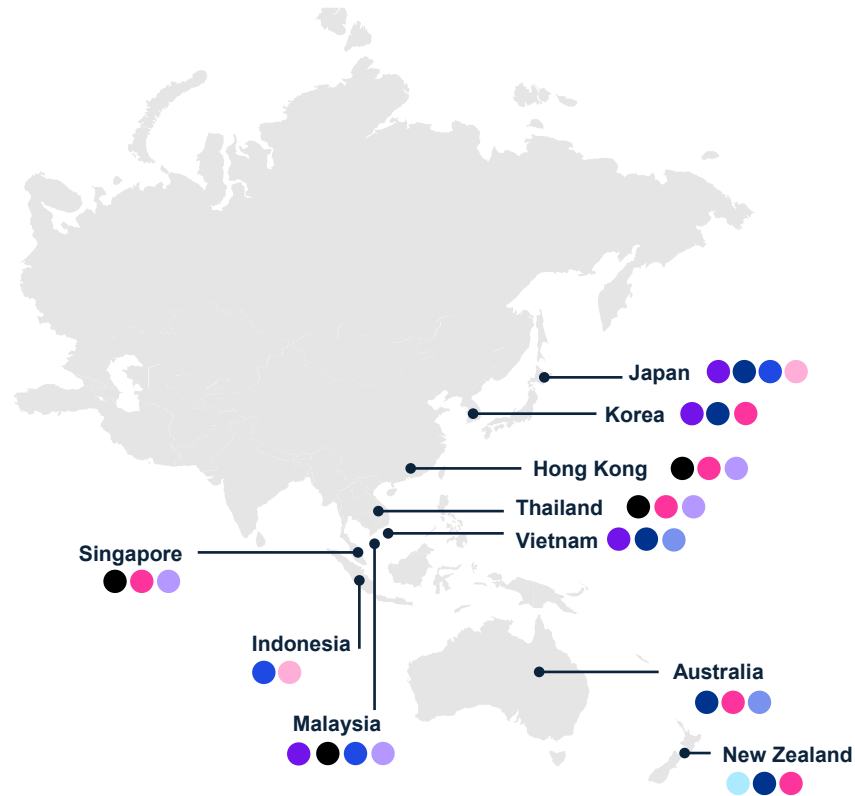
Middle East & Africa	Status	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Mauritius	Formal Indication	uncertain	uncertain	timing uncertain	Local tax alert
Qatar	Formal Indication	timing uncertain	timing uncertain	timing uncertain	Local tax alert
South Africa	Formal Indication	timing uncertain	timing uncertain	uncertain	Local tax alert EU Tax Centre alert
UAE	Formal Indication	timing uncertain	timing uncertain	uncertain	Public consultation expected in Q1 2024, see also EU Tax Centre alert
Zimbabwe	Formal Indication	uncertain	uncertain	2024	Local tax alert
ATAF*	Other	Guidance for domestic minimum top-up tax implementation – see EU Tax Centre alert			
Bahrain	Other	Introduction of a CIT as part of its commitment to the OECD minimum tax under consideration – see Local tax alert			
Kenya	Other	Plans to review DST and to adopt two-pillar solution – see EU Tax Centre alert			
Kuwait	Other	Plans to introduce business profit tax at a rate of 15% – see local tax alert			
Nigeria	Other	Policy measures to address impact of Pillar Two under consideration – see EU Tax Centre alert			

* African Tax Administration Forum

- **Official plan** — Program for implementation with dates
- **Formal indication** — Written document issued by the government stating an intent to implement

Asia Pacific

Pillar Two — State of play | Asia Pacific



Legend

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

Pillar Two — State of play | Asia Pacific

Asia Pacific	Status	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Australia	Consultation ongoing	2024	2025	2024	Local tax alert
Hong Kong (SAR)	Consultation ongoing	2025	2025	2025	Local tax alert
Indonesia	Formal indication	timing uncertain	uncertain	timing uncertain	
Japan	IIR legislation enacted	April 2024 SE23 / E23	April 2025 (estimated)	timing uncertain	Local tax alerts (June 2023; Oct 2023 ; Dec 2023)
Korea	Legislation enacted	2024 SE23 / E23	2025 SE23 / E23	uncertain	Local tax alert
Malaysia	Legislation enacted	2025 SE23 / E23	uncertain	2025 SE23 / E23	Local tax alert
New Zealand	Consultation on draft law ended	2024 or later	2025 or later		Local tax alert
Singapore	Official Plan	2025	2025	2025	Local tax alert
Thailand	Official Plan	2025	2025	2025	Local tax alert
Vietnam	Resolution adopted*	2024	uncertain	2024	Local tax alert

* Decree/Circular will be issued in third quarter of 2024 for further detailed guidance and implementation

- **Official plan** — Program for implementation with dates
- **Formal indication** — Written document issued by the government stating an intent to implement
- **E23** — Legislation “enacted” for accounting purposes in 2023
- **SE23** — Legislation “substantively enacted” for accounting purposes in 2023

Americas

Pillar Two — State of play | Americas



Legend

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

Pillar Two — State of play | Americas

Americas	Status	Income Inclusion Rule (IIR)	Undertaxed Profits Rule (UTPR)	Domestic Top-up Tax (DMTT)	More information
Canada	Legislative proposal <u>released</u>	2024	2025*	2024	<u>Local tax alert</u>
Barbados	<u>Formal indication</u>			2024	<u>Local tax alert</u>
Mexico	Formal indication	Intention to adopt the GloBE Rules, including IIR, UTPR and STTR once finalized (timing uncertain) – See KPMG’s <u>Tax News Flash</u>			
Bahamas	<u>Other</u>	Consultation on policy measures to introduce Pillar Two compliant CIT system			
Bermuda	<u>Other</u>	Consultation on legislative proposal to introduce a CIT system for fiscal years starting on or after January 1, 2025 – see KPMG’s <u>Tax News Flash</u>			
Colombia	Other	Corporate minimum tax of 15 percent adopted. Unclear whether may qualify as QDMTT			
Jamaica	Other	Tax official publicly stated plans to establish a qualified DMTT (timing uncertain)			
Puerto Rico	Other	Draft legislation aiming to introduce an election to pay 15% minimum tax			
United States	Other	<p>Corporate alternative minimum tax of 15 percent adopted (general understanding that CAM-T is not IIR equivalent)</p> <p><i>May 25, 2023:</i> Republican Committee introduced a bill which would impose an additional 5 percent tax rate each year for four years, on the US income of individuals and entities located in jurisdictions that impose an UTPR. After 4 years the rate would go up to 20 percent – see KPMG’s <u>Tax News Flash</u></p> <p><i>July 19, 2023:</i> Republican members of the Ways and Means Committee introduced a bill entitled the “Unfair Tax Prevention Act,” which would increase the BEAT where foreign countries adopt UTPR – see KPMG’s <u>Tax News Flash</u></p>			

* UTPR legislation pending

- **Official plan** — Program for implementation with dates
- **Formal indication** — Written document issued by the government stating an intent to implement
- **E** — Legislation deemed “enacted” for accounting purposes
- **SE** — Legislation deemed “substantively enacted” for accounting purposes

Contacts

Grant Wardell-Johnson
Global Tax Policy Leader
KPMG International
E: grant.wardelljohnson@kpmg.co.uk

Alistair Pepper
Managing Director
Washington National Tax
KPMG in the US
E: alistairpepper@kpmg.com

Tam Do
Senior Manager
Corporate Tax Consulting
KPMG in Singapore
E: tamdo@kpmg.com.sg

Vinod Kalloe
EMA Regional Tax Policy Leader
KPMG in the Netherlands
E: kalloe.vinod@kpmg.com

Marcus Heyland
Managing Director
Washington National Tax
KPMG in the US
E: mheyland@kpmg.com

Federica Porcari
Senior Manager
Washington National Tax
KPMG in the US
E: fporcari1@kpmg.com

Danielle Rolfes
Partner in Charge
Washington National Tax
KPMG in the US
E: drolfes@kpmg.com

Raluca Enache
Head of KPMG's EU Tax Centre
KPMG EU Tax Centre
E: renache@kpmg.com

Daniel Winkle
Tax Director
Strategic Corporates
KPMG International
E: daniel.winkle@kpmg.co.uk

Conrad Turley
ASPAC Regional Tax Policy Leader
KPMG China
E: conrad.turley@kpmg.com

Marco Dietrich
Senior Manager
KPMG's EU Tax Centre
KPMG in Germany
E: marcodietrich@kpmg.com

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