

INTRODUCTION

The South Centre and the African Tax Administration Forum (ATAF) seek to increase the ability of Global South tax officials, particularly from Africa, to participate actively in international standard setting fora, including in the United Nations Tax Committee, the OECD, and other bodies.

To further this objective, the South Centre and ATAF are co-organizing a series of closed technical briefings in collaboration with experts from the Global South as well as allies in the Global North. These are primarily for the developing country members of the UN Tax Committee. Tax officials from the Global South are also invited so they can be better aware of the issues in international tax standards and their implications for developing countries.

SUBSTANTIVE ISSUES

The briefing series seeks to cover the following topics which are of interest to the developing country Members of the UN Tax Committee.

Subject to Tax Rule

- Possibility of including Subject to Tax rule in the UN Model Tax Convention;
- Possible structure of such a rule, scope, operation and effect;
- How it can be designed to be of maximum benefit for developing countries.

Dispute prevention and resolution mechanisms in the Pillar One Blueprint

- An overview of how the envisaged mechanism is to function;
- Its relevance for developing countries and how it can be improved;
- What can be an appropriate composition of the panels for developing countries;
- Interaction of this system with dispute resolution in trade and investment agreements and with non-discrimination and MFN clauses in tax treaties, whether any potential complications may arise.

Computer Software and Royalties

- Overview of the discussion so far in the UN Tax Committee on whether payments for computer software should be taxable as royalties;
- Recent changes to Commentary of Article 12;
- Pending questions and possible ways forward.

Article 6

Problem of immovable property bought in developed countries using illicit finances from developing countries;

- Whether changes are needed to Article 6 such that the property owners based in developing countries can be taxed on this income;
- Other possible solutions to the problem.

International Shipping

- Limitations of Article 8 in taxing income from international shipping;
- Possible amendments needed;
- Existing treaty practice in this area that can be learned from.

MODALITY

The South Centre and ATAF will facilitate the briefing series which will take place virtually.





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