

Implementation public CbCR in the Netherlands

Legislation

On 6 July 2023, the Dutch House of Representatives passed legislation (the **Legislation**) to implement public country-by-country reporting under EU directive (EU) 2021/2101. In-scope multinational enterprises (**MNEs**) are required to publicly disclose a country-by-country report (**CbCR**), which includes tax and tax-related information. The Legislation applies to financial years starting on or after 22 June 2024. In practice, for MNEs that apply a financial year equal to the calendar year, the first reporting year will be 2025.

In-scope MNEs

Based on the Legislation, MNEs are required to publicly disclose their CbCR, if:

- i. the total consolidated revenue exceeds EUR 750 million in each of the last two consecutive financial years; and
- ii. the ultimate parent entity (**UPE**) of the MNE is located in (a) the Netherlands or (b) a non-EU jurisdiction operating through a subsidiary or branch in the Netherlands.

Financial institutions established in the EU are already required to publicly disclose the information and are, therefore, out-of-scope of the public CbCR obligations.

Information disclosed

In-scope MNEs are required to disclose the following information on all entities and branches included in the consolidated financial statements:

- i. legal name and currency used in the financial statements;
- ii. a brief description of the nature of their activities;
- iii. number of employees on a full-time basis;
- iv. revenues;
- v. amount of profits or losses before income tax;
- vi. amount of income tax accrued;
- vii. amount of income tax paid; and
- viii. accumulated earnings.

We note that all these items are already included in a CbCR under BEPS Action 13 that is filed with the tax authorities.



Publication

Dutch UPEs, and Dutch subsidiaries or branches of non-EU UPEs, are required to file the CBCR (i) in the publicly accessible register of the Dutch Chamber of Commerce and (ii) on the MNE's website, within 12 months after the end of the financial year.

Next steps

In-scope MNEs have to be aware that their tax and tax-related information will be publicly available. Therefore, it is highly recommended to analyze the data that will be published and the conclusions that can be drawn by the public. With WTS' CbCR Risk Analyser we are able to help you gain deep insights into the CbCR data. This will allow you to prevent potential outliers or explain them.

If you have any questions or comments, we are happy to assist.

Contact information

Taco Wiertsema

E. tw@atlas.tax

M. +31 621 286 636

Pauline Thio

E. pt@atlas.tax

M. +31 619 543 280

Stan de Kok

E. sdk@atlas.tax

M +31 651 729 627