TP

NEWS LETTER

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COUNTRY-BY-COUNTRY REPORTING: A KEY TO GLOBAL TAX COMPLIANCE & STRATEGY

In the dynamic landscape of global business, the imperative for compliance and strategic foresight has never been greater. With this in mind, we wish to highlight the critical role of Country-by-Country (CbC) Reporting in not only meeting regulatory demands but also in advancing your organization's strategic positioning.

CbC reporting, a key outcome of the OECD's Base Erosion and Profit Shifting (BEPS) initiative, is designed to foster a higher degree of tax transparency across multinational enterprises. Its fundamental aim is to provide a clear window into the allocation of income, taxes paid, and business activities on a per-country basis.

KEY BENEFITS OF ROBUST CBC REPORTING

Alignment with Global Taxation Standards: Timely and accurate CbC reporting underscores your adherence to international tax regulations and reflects your commitment to ethical financial practices.

Minimizing Risk of Penalties: In an era where non-compliance has significant financial and reputational costs, effective CbC reporting is a critical shield against potential penalties and negative public perception.

Facilitating Strategic Tax Risk Management: The insights gleaned from comprehensive CbC reports are invaluable in equipping tax authorities to perform risk assessments more efficiently, potentially reducing the frequency and intensity of tax audits and related disputes.

Strengthening Stakeholder Confidence: Transparent CbC reporting is a powerful tool in building and maintaining trust among investors, clients, and business partners, reinforcing your reputation as a responsible and accountable entity.

Influencing Global Business Strategies: The detailed financial insights provided by CbC reporting can be leveraged to refine global business strategies. These reports offer clarity on profit margins, aid in the effective allocation of resources, and assist in optimizing your overall tax strategy.

For Multinational Enterprises (MNEs) in Zambia, meeting the Country-by-Country Reporting (CbCR) standards is now a crucial part of your financial compliance strategy. This applies especially to MNEs with consolidated revenues exceeding the threshold of **ZMW 4.795 billion.**

CRITICAL DEADLINES FOR 2023:

CbCR Notification: Must be filed with the Zambia Revenue Authority (ZRA) by the end of your MNE group's reporting year.

CbCR Report Submission: Due within 12 months following the close of the reporting year, in line with the format set out in the TP Regulations.

Important: The filing deadline for the 2022 Financial Year is December 31, 2023. It's imperative for MNEs meeting the specified revenue threshold to comply with these regulations to avoid penalties

OUR UNWAVERING SUPPORT IN YOUR JOURNEY

As you navigate the complexities of the evolving global tax environment, we are here to provide expert guidance and support. Our dedicated team is equipped to assist you in fulfilling your CbC reporting obligations, ensuring compliance, and leveraging this process to strategically enhance your global tax posture.

REACH OUT FOR EXPERT GUIDANCE

For any inquiries or assistance regarding CbC reporting or broader international tax concerns, please do not hesitate to contact us. Our commitment is to your success in the intricate world of global taxation.

BDO

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WHY BDO ZAMBIA TP

Our Transfer Pricing team is distinguished for its outstanding client service and elite global expertise. We offer comprehensive transfer pricing services and extended support to meet all your needs. Our full scope of services include:

- **Transfer Pricing Planning**
  Our Transfer Pricing Planning service ensures alignment with global policies and compliance with local regulations.
- **Transfer Pricing Documentation**
  Our service includes the meticulous preparation and review of required documentation, supporting your inter-company transactions.
- **Transaction Mapping**
  Involves the detailed analysis and mapping of inter-company transactions.
- **Transfer Pricing Audit Support**
  Our Transfer Pricing Audit Support service offers expert assistance during audits by tax authorities.
- **Industry Specific Solutions**
  Our Transfer Pricing team has experience in a variety of industries and provides Transfer Pricing solutions tailor according to industry specific requirements.
- **Transfer Pricing Training**
  Our Transfer Pricing Training Services and Seminars provide in-depth, interactive learning experiences led by industry experts, designed to enhance your knowledge and skills in navigating the complexities of transfer pricing regulations and compliance.

ABOUT BDO ZAMBIA

BDO Zambia is a firm of public accountants, registered with the Zambia Institute of Chartered Accountants, providing audit, accounting, taxation, management and consulting services to clients of varying sizes and needs. BDO Zambia is part of the BDO International network.

With the backing of the BDO international network, we can combine global coverage with local knowledge. Our close relationship with BDO South Africa provides us with additional resources and expertise to meet business requirements in Zambia.

The Partners, Directors and staff of BDO Zambia aim to establish the firm as the preferred provider of Professional Services in the country. We have a commitment to total client service, and we build an understanding of our client's businesses that allows us an active role in their success.