

COURSE PROGRAMME

Fundamentals of GloBE Rules – Pillar Two

Course Programme

Lessons

Topics Covered

Module 1

Scope and Top-Up Tax

- > Introduction, consolidation under IFRS and different GAAPs
- > Scope; test of annual revenue in the consolidated financial statements; excluded entities and the extent of the exclusion
- > Effective tax rate calculation; jurisdictional blending; adjusted covered taxes and net GloBE **Income**; substance-based income exclusion; payroll and tangible assets carve-out; excess profit and top-up tax calculation and the allocation of top-up taxes to constituent entities

Module 2

The Charging Mechanisms

- > The charging system of the GloBE **Rules**; IIR and UTPR; the paying entities: ultimate parent entity, intermediate parent entity and partially-owned parent entity
- > The hierarchy of IIR paying entities; the role of controlling interest and allocable share; offset mechanism
- > The optional mechanisms of the UTPR; denial of deduction and equivalent adjustment; the exclusion mechanism and the deduction mechanism and the allocation of the total UTPR top-up tax amount

Module 3

GloBE Income or Loss

- > From consolidation to GloBE **Income** or **Loss**; other comprehensive income (OCI); and the adjustments of financial accounting net income or loss to arrive at GloBE **Income** or **Loss**
- > Flow-through entities: tax transparent entities and reverse hybrid entities; the allocation of income or loss from a flow-through entity
- > The refundable tax credit qualified or non-qualified; the relevance of the refundable tax credit for the effective tax rate

Lessons

Topics Covered

Module 4**Adjusted Covered Taxes**

- > From covered taxes to adjusted covered taxes; withholding taxes and the total deferred tax adjustment amount and other adjustments
- > The allocation of taxes in case of permanent establishments; tax transparent entities; controlled foreign company tax regimes and hybrid entities
- > Deferred tax expense and the calculation of the total deferred tax adjustment amount; the deferred tax asset recast at the minimum rate; the recapture of a deferred tax liability and the recapture exception accrual

Module 5**Qualified Domestic Minimum Top-Up Tax**

- > The difference between a qualified and non-qualified domestic minimum top-up tax and the impact of the substance-based income exclusion
- > The requirements for a qualified domestic minimum top-up tax (QDMTT): consistency in design and outcomes; payment of the QDMTT; charging more than the GloBE **Rules**
- > QDMTT and other taxes: taxation of a permanent establishment and interaction with controlled foreign company tax regimes

Level

Introductory

Completion requirements

To benefit from the learning experience for this training, completing all mandatory components is necessary to obtain your certificate. Upon access to the learning platform, the syllabus will indicate the exact completion requirements. Please also consult the FAQ for more information.

Course Developers

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