

Towards a Simplified Reporting under DAC9 and Its Status of Implementation across Member States

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Mery Alvarado | Senior associate IBFD

The author can be contacted at m.alvarado@ibfd.org

1. Background – Understanding Pillar Two

OECD Pillar Two represents a significant milestone in the international tax field. It imposes a 15% tax rate on multinational enterprises (MNEs) the annual revenue of which exceeds EUR 750 million. The primary goal is to counteract base erosion and profit shifting by ensuring that MNEs pay a minimum level of tax, regardless of where the profits were generated. In this sense, it requires imposing a top-up tax in cases in which the effective tax rate is under the minimum global rate of 15%.

On 15 December 2022, the Council of the European Union formally adopted [Council Directive \(EU\) 2022/2523](#) of 14 December 2022 (the Minimum Taxation Directive (2022/2523)), which closely follows the OECD Pillar Two by incorporating the Income Inclusion Rule (IIR) and the Undertaxed Payment Rule (UPR) to ensure that MNEs and large domestic groups in the European Union pay a minimum effective tax rate of 15%. Further, article 44 of the Minimum Taxation Directive (2022/2523) sets out a filing requirement by establishing that MNEs should submit a top-up tax information return (TTIR) using a standard template, which contains essential information for tax administrations to assess MNEs' tax liabilities and risks.

In general, the Minimum Taxation Directive (2022/2523) mandates that each constituent entity file a TTIR with its local tax authority; however, it also provides for a central filing derogation, which allows the ultimate parent entity (UPE) or a designated entity to file the TTIR on behalf of the entire MNE group in a single jurisdiction.

2. Transparency and Simplified Reporting under DAC9

On 14 April 2025, the Council of the European Union formally adopted [Council Directive \(EU\) 2025/872](#) of 14 April 2025 (Amending Directive to the 2011 Directive on Administrative Cooperation (2025/872) (DAC9)). This is the ninth amendment to the [Council Directive \(EU\) of 2011/16](#) of 15 February 2011 (Directive on Administrative Cooperation (2011/16) (DAC)). DAC9 aims to simplify Pillar Two compliance for MNEs and large domestic groups in the European Union, as well as to facilitate the exchange of top-up tax information between Member States.

In this regard, DAC9 incorporates the TTIR as contemplated in article 44 of the Minimum Taxation Directive (2022/2523), which closely follows the OECD Global Anti-Base Erosion (GloBE) Information Return, into EU law. Accordingly, in-scope businesses will only have to file a single TTIR in one Member State, instead of multiple returns filings across Member States in which the MNE operates.

Further, under DAC9, Member States will exchange relevant parts of these TTIRs using a standardized form with other Member States within 3 months of receipt (6 months for the first exchange of returns). For the exchange of this information with non-EU countries, Member States need to sign international agreements.

It is worth noting that DAC9 does not establish any local filing obligations beyond the TTIR.

Further, the Commission adopted the [Implementing Regulation \(EU\) 2025/1325](#) of 7 July 2025 to facilitate automatic exchange of tax information under DAC9. The Regulation introduces a common IT format, aligned with the OECD GloBE Information Return, to ensure interoperability between reporting under DAC9 and the OECD framework, thus minimizing the administrative burden on both businesses and tax authorities.

3. Status of Implementation of DAC9 across Member States

Following the adoption of DAC9, Member States are required to transpose it into domestic law by 31 December 2025. The first TTIRs are due by 30 June 2026, while the first information exchange will take place by 31 December 2026.

Currently, Germany and Poland have draft bills under consultation. On 6 August 2025, the Federal Ministry of Finance of Germany sent its draft [bill](#) on the Minimum Tax Amendment Act to the business associations for consultation. The bill aims to implement, inter alia, DAC9 to provide for TTIRs to be submitted once in a Member State, thus reducing the administrative burden on MNEs. After approval by the Federal Cabinet, the draft bill will be submitted to the legislative process, including approval by the lower house of parliament and the Federal Council.

On 25 July 2025, Poland launched a public consultation on a draft [bill](#) to implement, inter alia, DAC9, in an effort to align with international standards and strengthen administrative cooperation. The bill proposes to introduce a standardized digital format for information exchanges under Pillar Two.

On the other hand, Denmark, Finland, Luxembourg, the Netherlands, the Slovak Republic and Slovenia have submitted draft bills to parliament for further approval. On 8 October 2025, the Danish Minister of Taxation introduced [bill L23](#) to the parliament to implement DAC9 into Danish domestic law. The bill proposes to standardize the reporting method by introducing the form set out in Annex VII of DAC9 as the standard form to be used for submitting information on the top-up tax. The bill also proposes to introduce sanctions to enforce the submission of TTIRs and includes updates to the legal basis for the exchange of information reported in these returns. The proposed amendments will not only ensure a proper legal basis for the exchange of information within the European Union but will also establish a legal basis for the conclusion of agreements on the automatic exchange of information on the top-up tax with non-EU countries, such as the multilateral agreement to be concluded within the OECD framework (the [GIR MCAA](#)).

On 9 October 2025, the Finnish government presented to the parliament a law proposal ([HE 142/2025](#)) to implement DAC9 to provide for reporting obligations under Pillar Two and the automatic exchange of information of TTIRs that in-scope taxpayers will be required to file annually. The Finnish Tax Administration will issue new regulations on the content of supplementary TTIRs and the requirements for submitting these returns in line with EU rules.

On 24 July 2025, the government of Luxembourg submitted a draft [bill](#) to the parliament to implement DAC9. All in-scope multinational and large domestic groups would be required to file annual TTIRs. The tax authorities would then collect the TTIRs and automatically exchange relevant details with foreign tax authorities. The exchange of information would be based on the dissemination approach as outlined in DAC9 to ensure that each country only receives the necessary information. The government also issued a draft [grand-ducal regulation](#) to introduce the standard form of the TTIR, to be used by Luxembourg constituent entities. The form is in line with the one set out in Annex VII of DAC9.

On 16 September 2025, the Dutch government presented its annual package of tax measures – the [Tax Plan](#) – including a separate [bill](#) to implement DAC9. The bill proposes that the standardized form set out in Annex VII of

DAC9 be established as the standard form to be used for submitting information on the top-up tax. The exchange of information by the Dutch tax authorities will follow the dissemination approach laid down in DAC9, meaning that only relevant information will be shared with other EU Member States.

On 22 August 2025, the Slovakian parliament accepted a draft [bill](#) to amend Law No. 507/2003 for consideration, which implements the Pillar Two global minimum tax rules and DAC9. In this regard, the draft bill introduces a standard notification template for both MNE groups and large national groups. It also contains rules for the exchange of these notifications within the European Union. The draft bill further creates conditions for the exchange of notifications in a global framework on the basis of a multilateral agreement between the competent authorities.

Finally, on 9 September 2025, the Slovenian Ministry of Finance submitted a [bill](#) to implement, inter alia, DAC9 for the submission of a standardized TTIR regarding the calculation of the top-up tax. It also adopts the GloBE simplified reporting rule for large MNE groups by allowing a single submission for the entire group in one Member State. If approved by the parliament, the bill will enter into force 15 days after publication.

4. Impact of DAC9 on International Business Decisions

It is expected that MNEs and large domestic groups that fall within the scope of Pillar Two will face significant compliance challenges. Although the European Union aims to simplify the reporting procedure, it will still require calculating the effective tax rate across multiple Member States, for which it will be necessary to carry on advanced tax planning, monitoring and an updated data management system.

In addition, as future changes may be made to the TTIR at the OECD level, large businesses will be required to keep track of all these ongoing developments and make the necessary technical and operational adjustments to comply with the new reporting requirements.

Further, MNEs will have to assess and decide which jurisdiction will be most suitable to comply with the filing of the single TTIR and whether they may prefer to relocate to another jurisdiction to fulfil their reporting obligations more effectively.

IBFD references:

- > For an overview of the implementation status of DAC9 across Member States, see the [Tax Dossier on DAC9](#)
- > For an overview of legislative initiatives at the EU level on direct tax matters, see the [EU Direct Tax Law Initiatives Tax Dossier](#)
- > For an overview of the developments linked to the Minimum Taxation Directive (2022/2523) at the EU level, see [European Union – Global Minimum Tax Monitor](#), Tables IBFD
- > For an overview of the implementation status of the GloBE rules, see the [Global Minimum Tax Monitor Map](#)
- > EU tax law developments are reported on the daily IBFD [Tax News Service](#) page