

New OECD guidance identifies qualifying and covered jurisdictions under Pillar One Amount B

The OECD released two documents on June 17 that fulfill the Inclusive Framework's (IF) commitment made in the report released in February of this year on Pillar One Amount B (the Amount B Report) to identify certain "qualifying" and "covered" jurisdictions. The Amount B Report provides a simplified and streamlined approach for determining arm's length prices for baseline marketing and distribution activities that will be incorporated as an Annex to Chapter IV of the OECD Transfer Pricing Guidelines.

The Amount B Report committed to designating "qualifying jurisdictions" with respect to both the "cap and collar" adjustment referenced under Section 5.2 of the Amount B Report as well as the "data availability" adjustment of Section 5.3 and to identify "covered jurisdictions" that are entitled to benefit from a political commitment made by other countries to respect outcomes determined by such covered jurisdictions, subject to certain conditions, with respect to the operating margins determined under the streamlined and simplified methodology of Amount B. (For prior coverage of the Amount B Report, see *Tax News & Views*, Vol. 25, No. 8, Mar. 1, 2024.)

[URL: https://dhub.deloitte.com/Newsletters/Tax/2024/TNV/240301_3.html](https://dhub.deloitte.com/Newsletters/Tax/2024/TNV/240301_3.html)

Deloitte Tax resources available

A new alert from Deloitte Tax LLP discusses how the two June 17 releases from the OECD address qualifying jurisdictions under Sections 5.2 and 5.3 of the Amount B Report and the covered jurisdictions that benefit from political commitment.

[URL: https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/dttl-tax-alert-us-21a-june-2024.pdf](https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/dttl-tax-alert-us-21a-june-2024.pdf)

A new "5 x 5" resource guide from Deloitte Tax identifies five insights taxpayers should know about the OECD's Amount B Report and five actions taxpayers should take as they assess impact of Amount B and consider any enhancements and improvements to transfer pricing policies, systems, and value chains during 2024.

[URL: https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-5x5-pillar-one-amount-b-potential-considerations.pdf](https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-5x5-pillar-one-amount-b-potential-considerations.pdf)

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