


## 3-Tiered TP Doc

# Objectives of establishing three-tiered transfer pricing documentation



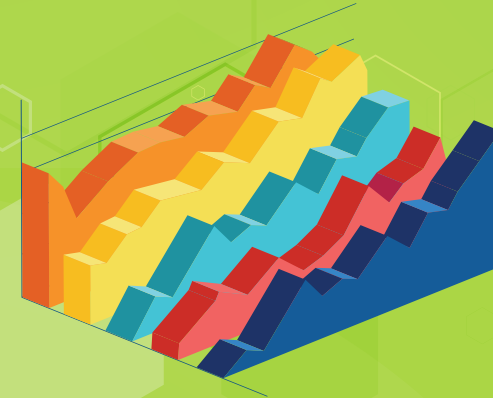
Assist taxpayers to evaluate the degree of their compliance with the arm's length principle

Help tax administrations to assess transfer pricing risks

Provide tax administrations with useful information to carry out a transfer pricing audit

## 3-Tiered TP Doc

### Introduction of three-tiered transfer pricing documentation

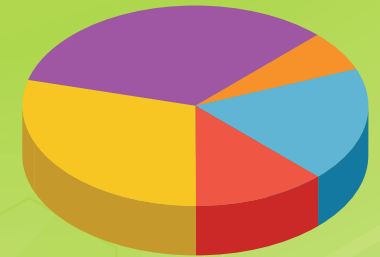


#### Master File

Overview of MNE group's global business operations and overall transfer pricing policies

#### Transfer Pricing Report (Local File)

Information on a profit-seeking enterprise undertaking controlled transactions and transfer pricing analysis



#### Country-by-Country Report (CbCR)

Global allocation of MNE group's revenue, profit, and taxes paid, as well as business activities carried out by each constituent entity

## 3-Tiered TP Doc

## Content of three-tiered transfer pricing documentation



### Master File

- Organizational structure
- General description of MNE's businesses
- MNE group's intangibles
- MNE's intercompany financial activities
- MNE group's financial and tax positions

### Transfer Pricing Report (Local File)

- Comprehensive business overview
- Description of group organization and management structure
- Summaries of controlled transactions
- Controlled transaction analysis
- Statements and consolidated reports of the affiliated enterprises and other materials as required by the Company Act
- Other documents affecting pricing

### Country-by-Country Report (CbCR)

- The information of the MNE group and its constituent entities in a tabulated format:
- Financial information regarding each jurisdiction in which the MNE group operates such as the amount of revenue, profit(loss) before income tax, income tax paid, income tax accrued (current year), stated capital, accumulated earnings, number of employees, and tangible assets
  - An identification of each constituent entity of the MNE group setting out the jurisdiction of tax residence or the jurisdiction of organization or incorporation, as well as the nature of the main business activity or activities (such as research and development, procurement, manufacturing, marketing, service, and financing) of such constituent entity on the basis of the jurisdiction mentioned in the preceding item

## 3-Tiered TP Doc

### Added Master File



	<b>Master File</b>
<b>Submission entity</b>	<b>A domestic profit-seeking enterprise that is a constituent entity of an MNE group</b>
<b>Submission deadline</b>	<b>Prepared when filing income tax returns and submitted within one year after the end of the fiscal year</b>
<b>Content</b>	<b>Including:</b> <ol style="list-style-type: none"><li><b>1. Organizational structure</b></li><li><b>2. General description of MNE's businesses</b></li><li><b>3. MNE group's intangibles</b></li><li><b>4. MNE's intercompany financial activities</b></li><li><b>5. MNE group's financial and tax positions</b></li></ol>





# 3-Tiered TP Doc

## Amended contents of the Transfer Pricing Report(Local File)

	<b>Transfer Pricing Report</b>
<b>Providing Entity</b>	<b>A profit-seeking enterprise undertaking controlled transactions</b>
<b>Providing deadline</b>	<b>Prepared when filing income tax returns or making a final report; provided within one month after receipt of an investigation notice sent by the tax authorities</b>
<b>Content</b>	<b>Including:</b> <ul style="list-style-type: none"><li><b>1. Comprehensive business overview</b></li><li><b>2. Description of group organization and management structure</b></li><li><b>3. Summaries of controlled transactions</b></li><li><b>4. Controlled transaction analysis</b></li><li><b>5. Statements and consolidated reports of the affiliated enterprises and other materials as required by the Company Act</b></li><li><b>6. Other documents in relation to related parties or controlled transactions which may affect pricing</b></li></ul>

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TP Doc**

**Added Country-by-Country Report(CbCR)**



**Country-by-Country Report**

**Submission entity**

**The Ultimate Parent Entity (UPE), Surrogate Parent Entity(SPE), or a domestic profit-seeking enterprise of an MNE Group**

**Submission deadline**

**Submitted within one year after the end of the fiscal year**

**Content**

**Disclosure on MNE's financial information and business operations in accordance with the format prescribed by the Ministry of Finance**

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## Submission entity and deadline of Country-by-Country Report



UPE or SPE is resident in the R.O.C.

CbCR



Submitted within one year after the end of the fiscal year



UPE & SPE are both non-resident in the R.O.C.

CbCR



Exchanged via Competent Authority Agreement(CAA)

CbCR



Failure to exchange information



A constituent entity of an MNE group

CbCR



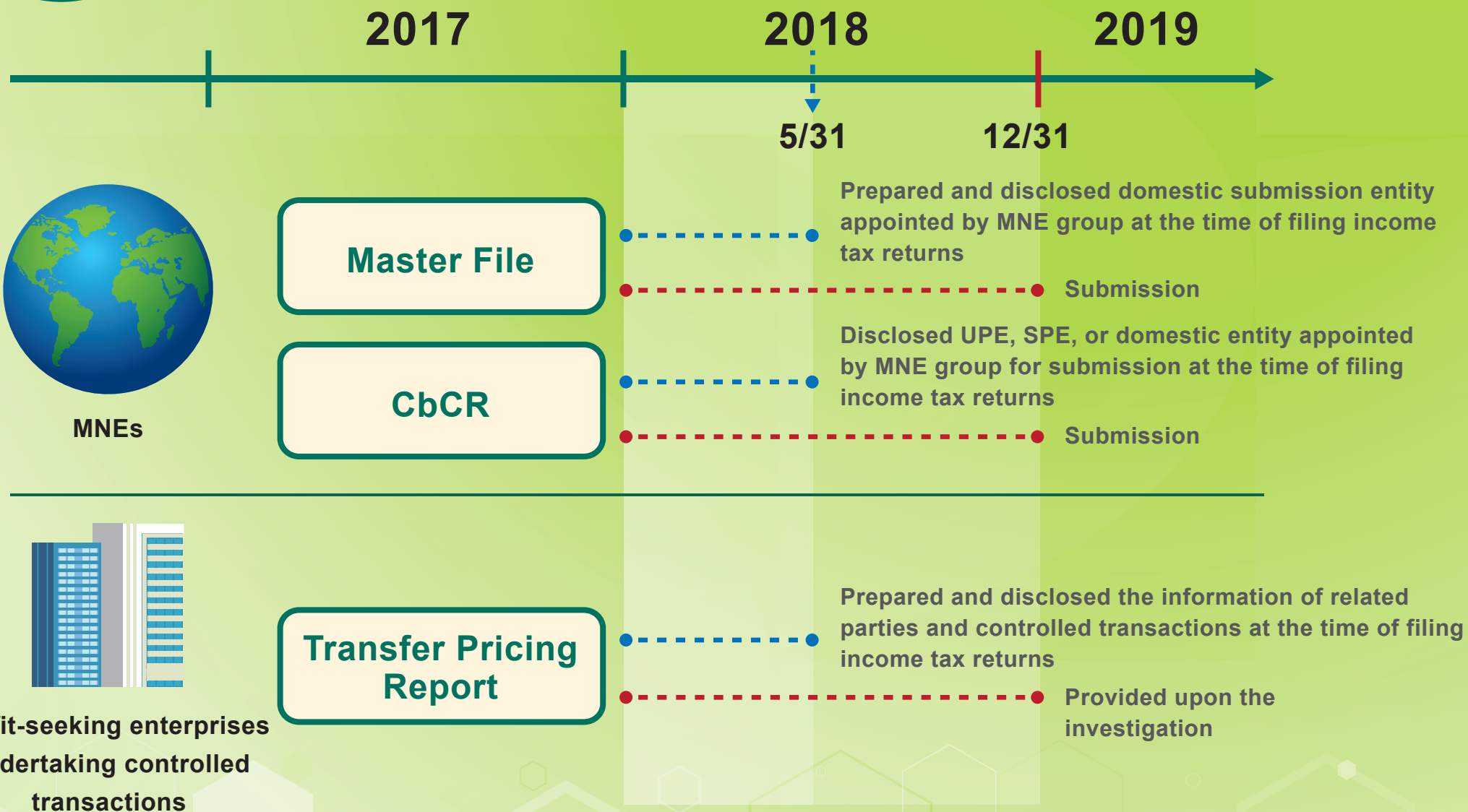
Submitted within one year after the end of the fiscal year



National Taxation Bureau

# 3-Tiered TP Doc

## Disclosure, preparation, and submission deadline of three-tiered transfer pricing documentation



## 3-Tiered TP Doc

# Method of submitting Master File and Country-by-Country Report



Data name	Document format	Submission deadline/location	Method of submission	File format
Master File	No specified format	Submit to the local tax authority within one year after the end of the fiscal year	<p>※2017 : Submit by CD-ROM or hard copy</p> <p>※From 2018: (1) Upload the documents online via the Internet (from May 2019) (2) Submit by CD-ROM or hard copy</p>	PDF format
Country-by-Country Report	The format prescribed by the Ministry of Finance		<p>※2017 : Submit by CD-ROM or hard copy</p> <p>※From 2018: (1) Upload the documents online via the Internet (from May 2019) (2) Submit by CD-ROM or hard copy</p>	<p>※2017: (1) Filing software provided by e-filing and tax payment service of Ministry of Finance (<a href="http://www.tax.nat.gov.tw">www.tax.nat.gov.tw</a>) (2) International standard format in accordance with the exchange of Country-by-Country Report (XML)</p> <p>※From 2018: Filing software provided by e-filing and tax payment service of Ministry of Finance (<a href="http://www.tax.nat.gov.tw">www.tax.nat.gov.tw</a>)</p>

