



Responding to COVID-19: BRITACOM PERSPECTIVE, 2 June 2020

Script of speech

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- I. Tax Administration Responses: The OECD's Forum on Tax Administration (FTA), in close collaboration with regional organisations and initiatives, such as BRITACOM, has been supporting tax administrations globally in their responses to Covid-19, mainly as follows:
 1. The OECD released three reference documents on measures to support taxpayers, business continuity and recovery planning. These are accessible on the OECD's website. During the crisis, we have seen tax administrations supporting taxpayers in many different ways, from moratoriums on tax collections to facilitating government cash stimulus programmes.
 2. The OECD has been hosting a series of virtual meetings bringing together tax administration officials working on Covid-19 issues to exchange views on their experiences.
 3. We have also been supporting developing countries in coping with the crisis by providing them with materials, presentations and e-learning opportunities. This work is ongoing, and will be enriched by the interaction with regional organisations and initiatives, such as BRITACOM.

- II. Tax Policy Responses: The OECD's Centre for Tax Policy and Administration (CTPA) has been tracking tax and fiscal policy responses to Covid-19 and helping to shape tax policy trajectories during and after the pandemic.
 1. Our database on tax and fiscal policy measures in response to Covid-19 covers over 100 countries and more than 800 measures. We are updating it frequently. This excel spreadsheet is freely accessible on our website and can be used by anyone to research measures by country, by category, or by date.
 2. At the request of the G20 Presidency, the OECD released a report on "Tax and fiscal policy in response to the coronavirus crisis" on 15 April 2020. The report highlights measures taken by various countries, explores the different elements of the debate, and makes recommendations, in relation to both tax administration and tax policy. For instance, many countries are discussing proposals to ensure the crisis and recovery measures also deal with climate change through carbon pricing, or are looking to fundamental reforms that place a greater emphasis on the taxation of capital to foster growth. The report also stresses the need to rebalance taxing rights among countries and to better take into account the needs and priorities of developing countries.



3. Throughout the crisis, the OECD has held frequent consultations with country delegates to facilitate information sharing.
- III. Lock-down measures have meant that many people have had to work remotely, physically performing their duties from a country outside of the country of their employment. This has led to many questions being raised about the tax treaty implications of such arrangements. In response, the OECD has issued guidance, in particular regarding article 15 of tax treaties on employment and wages, and on the issue of permanent establishments. We have also received requests for guidance on the impact of the pandemic on transfer pricing, as many companies have suffered losses as a result of lock-downs and other measures taken in response to the pandemic. The OECD Secretariat is working with countries and with business on this, but since a greater measure of consensus amongst IF member countries is needed here, this work is unlikely to be finalised before year-end.
- IV. We have all faced unprecedented challenges as a result of this pandemic and tax administrations have risen to those challenges, leading the response in terms of safeguarding business continuity, ensuring government stimulus payments reach their intended targets, and easing cash-flow burdens on individuals and businesses by suspending or deferring the payment of taxes due. Tax administrations should be proud of themselves, and China is a very good example, playing a key role in the response to the crisis and making sure the damage to the economy is as limited as possible.

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