

In summary, the CbCR-2-XML portal offers the following benefits for reportable companies:

- › Low requirements on the initial data format; a Microsoft Excel report is sufficient as a basis for the CSV-file to be converted (standardized import files are specified)
- › Avoidance of input and conversion errors due to manual transfer to the correct data structure
- › Compliance with OECD and German BZSt requirements
- › WTS does not store any data when using the CbCR-2-XML
- › The CbCR-2-XML portal is hosted on WTS servers in Germany
- › Automatically transmission via fully integrated ELMA5 interface to BZSt and status update within the tool
- › Additional option of preparing an individual risk report based on the submitted CbCR-data

Risk report by WTS

In addition to our online tool, WTS offers an individual risk report in relation to your CbCR-data.

As a result of this report, the legal obligations of reporting on a country by country basis are transformed into an additional benefit. The risk report prepared by WTS (based on the CbCRmanager) analyses graphically displayed key performance indicators of your company group. The resulting acquisition of information represents a considerable added value and enables you to identify errors in the data basis or potential risks.

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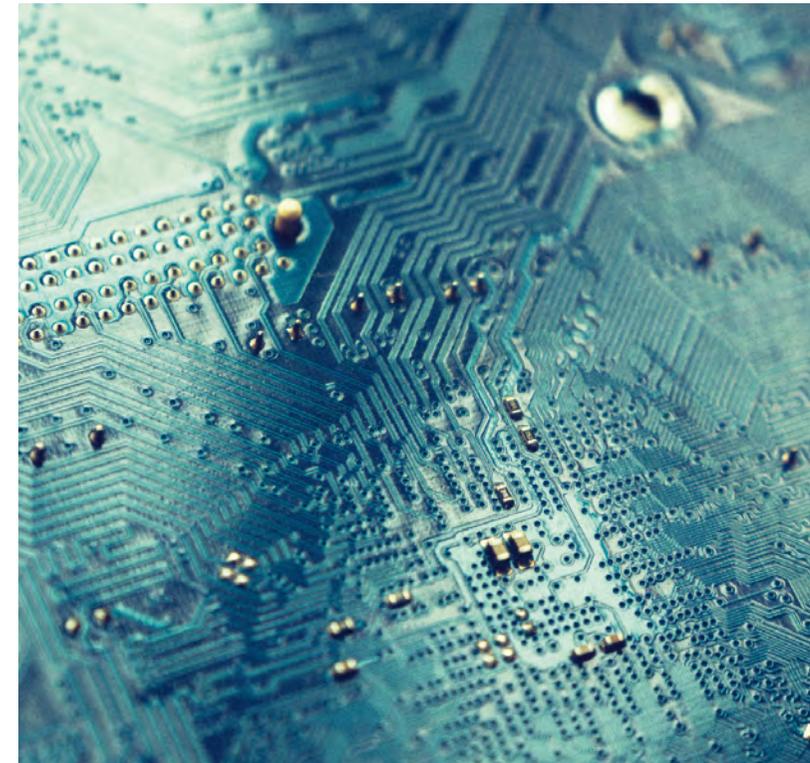
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wts CbCR-2-XML

Implement the XML structure to meet the legal requirements of Country-by-Country-Reporting

Secure access | No data storage |
Web-based service



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Implementation of the XML structure to meet legal requirements within the framework of the CbCR

Situation

Since 1 January 2016, the OECD Action Plan represents (BEPS - Base erosion and profit shifting) additional forward-looking statements to the transfer pricing documentation of multinational corporations. Supplementary to previous requirements, the BEPS Action Plan 13 calls for the country-by-country reporting (CbCR). The transfer pricing documentation was extended to a three-part documentation set. This OECD guideline has already been transposed into national law in most countries.

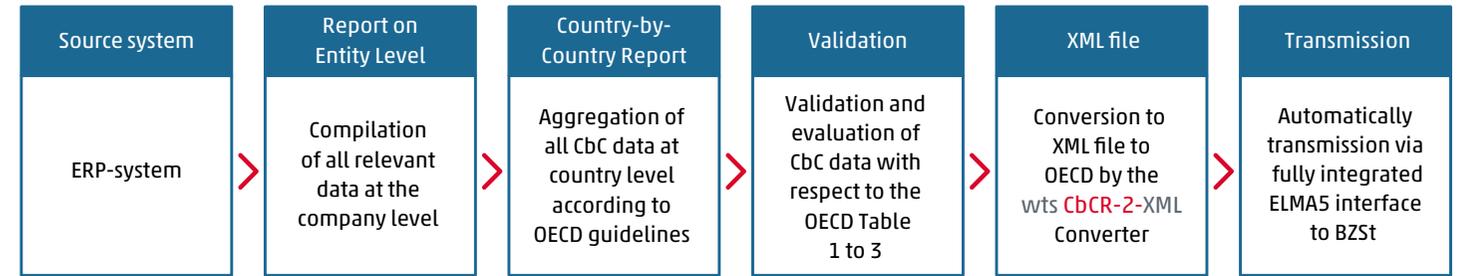
The OECD provides a standardized XML-structure which is relevant to all participating states. This is intended to standardize country-by-country data to enable an automated exchange between the States involved. To this XML-structure, the OECD posted a corresponding user guide¹ on 22 March 2016.

Challenge

The User Guide for the XML structure published by the OECD is complex in content and sometimes unclear. In addition, the requirements of the XML scheme and the User Guide exceeded the sample tables 1 to 3 of Action Plan 13 published by the OECD. Thus a high degree of cooperation between tax and IT experts is necessary to meet OECD requirements. The reason for this is the required expertise in relation to pricing (especially CbCR) and programming in the area of Extensible Markup Language (XML).

¹ Country-by-Country Reporting XML Scheme: User Guide for Tax Administration and Taxpayers, OECD.

Transmission process: Country-by-Country Reporting



Alternativ: wts CbCRmanager



* Additional risk analysis by the KPI integrated in the wts CbCRmanager

Our IT solution: WTS CbCR-2-XML

Our portal is fully compliant with the OECD and German requirements for the mandatory XML-files. The WTS CbCR-2-XML covers all specifications for a transmission of the data from the table sheets 1-3 in the required data structure. The existing already validated CbCR-data will be uploaded via standardized CSV-files into the WTS CbCR-2-XML portal by entering additional user data into a web browser. In the next step the portal transforms the data of the imported files into the required XML-structure of the OECD and the German BZSt. Then, the converted file can be transmitted via the fully integrated ELMA5 to the German tax authority BZSt. In addition the current status of the XML-file validation will be available in our online-tool at any time.

The CbCR-2-XML portal complements our service portfolio in the context of CbCR. We at WTS continue to offer an independent tool solution that enables data validation and risk analysis in addition to the submission of data (WTS CbCRmanager). In addition, WTS offers an integrated solution to support the entire transfer pricing documentation process (WTS TPmanager).