



A landmark event in the history of international taxation took place on 7 June 2017 - the 'Multilateral Instrument ('MLI') to implement tax treaty related measures to prevent base erosion and profit shifting was born. MLI is one of the outcomes of the OECD/G20 Project to tackle Base Erosion and Profit Shifting (BEPS). The main objective of the BEPS project was to address the issue of tax planning strategies that exploited gaps and mismatches in tax rules to artificially shift profits to low or nil tax jurisdictions. Typically, there was no economic activity or a very low level of activity in these jurisdictions, resulting in little or no overall corporate tax being paid. Fifteen BEPS Action Plans were developed to address base erosion and profit shifting. Implementation of the final BEPS package would have required significant amendments to the global tax treaty network. Considering that a many treaties (approx. more than 3,000) would have had to

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