Quarterly tax developments

Things to know about this quarter's tax developments and related US GAAP accounting implications

September 2024

In this issue:

EY

Building a better working world

Tax developments

Welcome to our September 2024 Quarterly tax developments *publication, which focuses on income tax developments that could affect US GAAP accounting.*

Here we describe certain tax developments previously summarized in Tax Alerts or other EY publications or identified by EY tax professionals or EY foreign member firms. These developments may affect your tax provision or estimated annual effective tax rate.

We compile this information because we recognize that, for many companies, the most challenging aspect of accounting for income taxes is identifying changes in tax law and other events when they occur so the accounting can be reflected in the appropriate period. However, this publication is not a comprehensive list of all changes in tax law and other events that may affect income tax accounting.

This edition covers certain enacted and effective tax legislation, as well as regulatory developments, legislative proposals and other items identified through 15 September 2024, except as noted.

We list EY publications that you can access through our ***Tax News Update website****, if you are registered. Anyone interested in registering should contact Amy Herlihy at* ***amy.herlihy@ey.com****.*

See our ***previous editions*** *for additional tax developments.*

Legislation enacted in the third quarter for US GAAP purposes

Companies are required to account for the effects of tax law changes on their deferred tax assets and liabilities in the period the legislation is enacted. Similarly, companies must reflect the effects of an enacted change in tax laws or rates in their annual effective tax rate computation in the period the changes are enacted. If an interim change is significant, temporary differences may need to be estimated as of the enactment.

Federal, state and territories

District of Columbia — On 14 July 2024, the District of Columbia enacted emergency legislation modifying the combined reporting rules to require combined filers to include receipts from all group members when apportioning income to the District, regardless of whether a member has District nexus (i.e., the *Finnigan* method). Other changes include repealing the 3% income tax rate on capital gains from the sale or exchange of an investment in a qualified high technology company.

The emergency legislation is effective for 90 days and will expire on 13 October 2024. These changes would be permanently enacted via a separate bill that is going through the full legislative process, which includes a mandatory 30 in-session day review period by Congress. The permanent bill has a projected law date of 7 December 2024. See the **State and Local Tax Weekly dated 26 July 2024 and 2 August 2024**.

Hawaii — On 1 July 2024, Hawaii enacted legislation modifying its research activities tax credit and extending the credit five years, through 31 December 2029. The changes remove inapplicable references to the Internal Revenue Code (IRC) Section 41 federal research credit and narrow the definition of "qualified high technology business" to apply to certain small businesses. The changes are effective upon enactment and apply to tax years beginning after 31 December 2023. See the **State and Local Tax Weekly for 12 July 2024 and 19 July 2024**.

Missouri — On 9 July 2024, Missouri enacted legislation allowing companies to deduct 100% of the state or local grant money they receive to expand broadband internet access to areas of the state deemed to be without it. The change applies retroactively to all tax years beginning on or after 1 January 2022. See the **State and Local Tax Weekly for 12 July 2024 and 19 July 2024**.

Pennsylvania — On 11 July 2024, Pennsylvania enacted legislation gradually increasing the deduction for net operating losses (NOLs) from 50% to 80% for NOLs incurred in tax years beginning after 31 December 2024. The allowable deduction remains 40% for NOLs incurred in tax years beginning before 31 December 2024. Deductions for post-2024 NOLs will be reduced until all pre-2025 NOLs are utilized.

Other changes include allowing a company to make an annual election to exclude certain payments from a related party (e.g., royalties, interest, licensing fees) from its income, provided the related party adds back those payments when determining taxable income. The exclusion may not exceed the expense paid, accrued or incurred by the related party, which must be identified when making the election. The change is retroactively effective for tax years beginning after 31 December 2022. See **Tax Alert 2024-1520**, dated 9 August 2024.

International

Argentina — On 8 July 2024, Argentina enacted a temporary incentives regime to encourage investment in the country. Eligible companies under the "Incentive Regime for Large Investments" (RIGI)[1] may qualify for a 25% tax rate on income from large investments in certain sectors and may carry NOLs forward indefinitely, among other benefits. Eligibility for the regime may expire 8 July 2026. See **Tax Alert 2024-1314**, dated 8 July 2024.

[1] This is the Spanish acronym.

Chile — On 1 July 2024, Chile enacted a temporary regime under which eligible companies may generally elect to pay a 12% withholding tax on all or part of their undistributed profits as of 31 December 2023, rather than a 35% withholding tax on dividend distributions. The regime is effective upon the law's enactment and available through 31 January 2025. See **Tax Alert 2024-1367**, dated 12 July 2024.

Hong Kong — On 5 July 2024, Hong Kong enacted a new patent box regime that allows eligible income from patents or patent-like intellectual property in Hong Kong to be taxed at a 5% rate. The new regime complies with Action 5 of the Base Erosion and Profit Shifting (BEPS) initiative of the Organisation for Economic Co-operation and Development (OECD) and applies retroactively to financial years ending on or after 1 April 2023. See **Tax Alert 2024-1346**, dated 11 July 2024.

India — On 17 August 2024, India enacted legislation reducing the corporate income tax rate for foreign companies to 35% from 40%. Other changes include:

- Simplifying the holding periods for classifying capital assets as short-term assets or long-term assets
- Increasing the tax rate on short-term capital gains on certain listed securities (where Securities Transaction Tax is paid) to 20% from 15%
- Increasing the tax rate on long-term capital gains on all securities (listed and unlisted) to 12.5% from 10%
- Decreasing the tax rate on long-term capital gains on other assets to 12.5% from 20%
- Exempting finance companies operating in an International Financial Service Center from the limitation on deductions for interest expense

The changes are generally effective upon enactment. See **Tax Alert 2024-1447**, dated 26 July 2024.

Turkey — On 2 August 2024, Turkey enacted a corporate minimum tax equal to 10% of a corporation's income before applying certain exemptions and deductions. The change is effective beginning 1 January 2025. Other changes include:

- Applying a 15% withholding tax to payments made by and to certain online service providers, various earnings of foreign corporations, and payments for good and services in certain sectors (effective beginning 1 January 2025)
- Eliminating the exemption for earnings on real estate investments by certain investment funds and partnerships in Turkey if they do not distribute 50% of their earnings within a specified period (effective upon enactment, applies to income earned as of 1 January 2025)
- Increasing the corporate income tax rate on earnings from certain public-private partnerships to 30% from 25% (effective beginning 1 January 2025)

See **Tax Alert 2024-1500**, dated 5 August 2024.

Legislation effective in the third quarter

Federal, state and territories

Georgia — Effective 1 July 2024, the corporate income tax rate decreases to 5.39% from 5.75% and applies retroactively to tax years beginning on or after 1 January 2024. The change was enacted 18 April 2024. See **Tax Alert 2024-0908**, dated 3 May 2024.

International

Pakistan[2] — Effective 1 July 2024, a flat 15% rate applies to capital gains from sales of stock and securities acquired on or after 1 July 2024, regardless of how long they are held. A higher rate applies for taxpayers that file their income tax return late. Other changes include:

- Increasing the tax rate on gains from redemptions of shares in mutual funds, collective investment schemes or real-estate investment trusts to 15% from 10% for stock funds and 25% from 10% for other funds
- Increasing the withholding tax rate on stock funds with fewer dividends than capital gains to 15% from 12.5%

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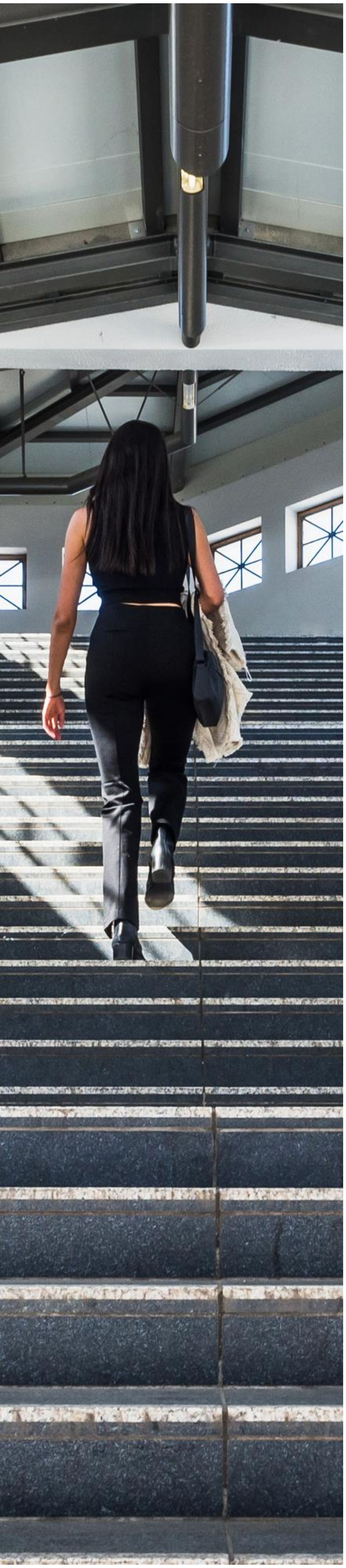
[2] A Global Tax Alert on the legislation's enactment has not been published. For discussion of the draft legislation, see **Tax Alert 2024-1192**, dated 14 June 2024.



- Eliminating capital gains tax on the sale of securities that were acquired on or before 30 June 2024 and held for more than six years
- Increasing the withholding tax rate to 9% from 5% on a company's payment to a toll manufacturer for goods
- Limiting banks' deductions of bad debts to those classified as a loss from nonperforming assets under the Prudential Regulations
- Allowing a company to deduct 75% of payments to a related party for sales promotion, advertisement and publicity if it also directly or indirectly paid a royalty to the related party for the tax year or the two preceding tax years

The changes were enacted 29 June 2024.

Tanzania — Effective 1 July 2024, companies that incur losses for four consecutive years may only apply those losses against 60% of taxable income in the fifth year, rather than 70%. Other changes include:

- Exempting from taxation a change in underlying ownership due to issuance of new shares in a domestic company under the change-in-control rules
- Eliminating withholding tax on certain interest paid by a Tanzanian financial institution to a foreign financial institution
- Introducing a 2% final withholding tax on payments for the purchase of certain industrial and metallic minerals supplied by a holder of primary mining license or an artisanal miner
- Introducing a 3% withholding tax on payments for the exchange or transfer of a digital asset (e.g., cryptocurrency) to a resident by a foreign company that owns a digital-asset-exchange platform or facilitates the exchange or transfer of those assets
- Applying a 5% withholding tax to payments received by Tanzanian digital content creators

The changes were enacted 30 June 2024. See Tax Alert 2024-1460, dated 30 July 2024.

Treaty changes

Tax treaties are agreements between countries that typically address withholding tax rates or exemptions on dividends, interest and royalties paid in multiple jurisdictions. Exceptions may apply based on the tax treaty (for instance, reduced rates may apply to certain categories of investors, capital gains from immovable property or property-rich companies may be taxable). All of the following tax treaty changes were effective in the third calendar quarter, except where indicated.

Countries involved		Summary of changes
Bangladesh	Maldives	Provides general withholding tax rates of 15% on dividends and 10% on interest, royalties and service fees; exempts capital gains from tax (effective as of 1 January 2025 in Maldives).
Estonia	Pakistan	Provides general withholding tax rates of 12.5% on dividends and interest and 10% on royalties and technical service fees; exempts capital gains from tax (effective as of 1 January 2025 in Pakistan).
Ethiopia	Luxembourg	Provides general withholding tax rates of 10% on dividends, 5% on interest and royalties and 7.5% on technical service fees; exempts capital gains from tax (effective as of 1 January 2024 in Luxembourg).
Ethiopia	Switzerland	Provides general withholding tax rates of 15% on dividends and 5% on interest and royalties; exempts capital gains from tax (effective as of 1 January 2024 in Switzerland).

Other considerations

Court decisions, regulations issued by tax authorities and other events may constitute new information that could trigger a change in judgment in recognition, derecognition or measurement of a tax position. These events also may affect your current or deferred tax accounting.

Federal, state and territories

Federal — In final regulations under IRC Section 367(b), the Treasury Department (Treasury) and the Internal Revenue Service (IRS) addressed the treatment of property used to acquire parent stock or securities in connection with certain cross-border triangular reorganizations and inbound nonrecognition transactions. The final regulations became effective on 17 July 2024 and adopt the proposed regulations without substantive changes. See **Tax Alert 2024-1416**, dated 19 July 2024.

In a revenue procedure, the IRS allowed regulated financial companies or regulated financial group members to use the automatic method change procedures in conjunction with Revenue Procedure 2015-13 to change their accounting method to the allowance charge-off method. The new procedure does not apply to a bank (as defined in IRC Section 581) that wants to change its method of accounting for bad debts from the IRC Section 585 reserve method to the allowance charge-off method. See **Tax Alert 2024-1360**, dated 12 July 2024.

In another revenue procedure, the IRS modified the procedures under IRC Section 446 for obtaining automatic consent to change to an accounting method for research and experimental expenditures paid or incurred in tax years beginning after 31 December 2021. The modifications apply to method changes made to (1) comply with statutory changes to IRC Section 174 or (2) rely on the interim guidance for determining whether costs paid or incurred for research performed under contract are specified research or experimental expenditures under IRC Section 174. See **Tax Alert 2024-1643**, dated 5 September 2024.

The US Tax Court held that a non-calendar corporation (the taxpayer) may claim a dividends-received deduction (an IRC Section 245A DRD) for a portion of its mandatory repatriation tax inclusion under IRC Section 965 (i.e., the IRC Section 78 gross-up relating to that inclusion). Specifically, the Court found that a plain reading of the statute mandated different effective dates for IRC Section 245A and amended IRC Section 78, which allowed an IRC Section 245A DRD to be claimed during the gap period. In reaching this conclusion, the Court did not follow Treas. Reg. Section 1.78-1, which was amended in 2019 to modify the effective date of IRC Section 78.

The Court also concluded that the taxpayer, under IRC Section 245A(d)(1), could not claim a foreign tax credit for a portion of its deemed paid taxes to the extent attributable to the IRC Section 78 dividend. See **Tax Alert 2024-1662**, dated 10 September 2024.

Tax amnesties

This table shows tax amnesties that were announced or went into effect in the third quarter of 2024.

Jurisdiction	Amnesty period	Taxes covered	Reference
Argentina	16 July 2024 through 13 December 2024	All taxes due through 31 March 2024, including corporate income taxes	**Tax Alert 2024-1434**, dated 24 July 2024
El Salvador	90 days from the date that the amnesty becomes effective	All taxes due through 31 July 2024, including corporate income taxes	**Tax Alert 2024-1659**, dated 9 September 2024.
Massachusetts	60 days in fiscal year 2025, date to be determined	To be determined, but could include corporate income taxes, provided returns were filed on or before 31 December 2024	**Tax Alert 2024-1488**, dated 2 August 2024

International

Canada — In a recent external technical interpretation, the Canada Revenue Agency (CRA) said withholding tax applies to fees paid by a Canadian resident corporation to a nonresident corporation as a reimbursement of subcontractor fees for services performed in Canada. The CRA's position, which reverses its previous position released in 2009, applies to reimbursements of subcontractor fees made after 30 September 2024. See **Tax Alert 2024-1407**, dated 18 July 2024.

Germany — The Federal Tax Court concluded that the 2004-2017 application of a 15% German withholding tax to dividends received by foreign funds, but not German funds, violated EU law. See **Tax Alert 2024-1639**, dated 4 September 2024.

Kenya — The Supreme Court has stayed a decision by the Court of Appeal declaring last year's Finance Act to be unconstitutional. The stay orders reinstate the Finance Act pending a hearing and determination of its constitutionality on appeal. See **Tax Alert 2024-1604**, dated 26 August 2024. For a discussion of the Court of Appeal's holding and implications, see **Tax Alert 2024-1498**, dated 5 August 2024. For a discussion of the Finance Act's tax provisions, see **Tax Alert 2023-1274**, dated 20 July 2023.

Separately, Kenya's High Court held that withholding tax did not apply to technical fees paid by a Kenyan subsidiary to its French parent company, which did not operate a permanent establishment in Kenya. Upholding the Tax Appeals Tribunal, the High Court concluded that the technical fees qualified as business profits, which made them taxable in France under the Kenya-France income tax treaty. See **Tax Alert 2024-1501**, dated 5 August 2024.

Peru — The Tax Authority published on its website an updated version (third version) of the list of high-risk schemes for tax planning that could be challenged under Peru's General Anti-Avoidance Rule. The updated list includes the 13 situations from the prior version of the list and adds 11 new situations that are considered high risk. See **Tax Alert 2024-1400**, dated 18 July 2024.

Things we have our eyes on

National, state and local governments continue to seek to increase their revenues. Companies should continue to monitor developments in this area. Some of these potential tax law changes are summarized here.

Federal, state and territories

Dual-consolidated losses — Treasury and the IRS proposed regulations addressing the interaction of the dual-consolidated loss (DCL) rules with Pillar Two of the OECD's Global Anti-Base Erosion Model Rules (GloBE Rules). Under the proposed regulations, a foreign income tax could include a Qualified Domestic Minimum Top-Up Tax (QDMTT) or an Income Inclusion Rule (IIR), such that the inclusion of a DCL in Pillar Two GloBE income could result in a foreign use. Other changes would:

- Eliminate the favorable "inclusions on stock" rule for computing the income or loss of any separate unit, which would cause taxpayers to have more and/or larger DCLs
- Limit the effect of the intercompany transaction rules for computing a group's consolidated taxable income and the DCLs of its members
- Introduce "disregarded payment loss" rules, which would require a domestic owner of a disregarded entity or foreign branch to recognize income with respect to certain net losses arising from disregarded payments

See **Tax Alert 2024-1529**, dated 11 August 2024.

Corporate alternative minimum tax —Treasury and the IRS proposed regulations on applying the 15% corporate alternative minimum tax (CAMT) on the adjusted financial statement income (AFSI) of large corporations. The regulations propose comprehensive rules for determining AFSI, whether a corporation is an applicable corporation (including rules for foreign-parented multinational groups) and the CAMT foreign tax credit.

The proposed regulations generally incorporate interim guidance from the past two years, though they differ from the prior guidance in some notable respects. They also provide guidance on items not previously addressed in prior interim guidance.

Certain sections of the proposed regulations would apply to tax years ending after the date the proposed regulations are published in the Federal Register, while other sections of the proposed regulations would apply to tax years ending after the date the final regulations are published in the Federal Register. Taxpayers may rely on the proposed regulations for tax years ending before these dates, provided certain requirements are met. See **Breaking Tax News 2024-9005**, 12 September 2024.

International

Brazil — The Congress is considering a bill that would increase the rate of social contribution on net profits (a component of Brazil's corporate income tax) in calendar-year 2025 for banks, insurance companies, other financial institutions and other legal entities. For banks, the social contribution on net profits (CSLL)[3] rate would increase to 22% from 20% for a combined corporate tax rate of 47%. For insurance companies and other specified institutions, the CSLL would increase to 16% from 15% for a combined corporate tax rate of 41%. For other legal entities, the CSLL would increase to 10% from 9% for a combined corporate tax rate of 35%. Other changes include increasing the withholding tax on interest-on-net-equity payments to 20% from 15%. See **Tax Alert 2024-1638**, dated 4 September 2024.

Brazil's Federal Revenue Service proposed transfer pricing regulations that would limit the mark-up that a company may apply to certain services provided to a related party and would address the application of withholding tax on those services. See **Tax Alert 2024-1642**, dated 5 September 2024.

[3] This is the Portuguese acronym.

Canada — In draft legislation, the Minister of Finance proposed increasing the rate of gains subject to capital gains tax to two-thirds from one-half. The proposed increase would apply to capital gains realized on or after 25 June 2024. Transitional rules would separate gains and losses realized before and after that date. Other proposals would:

- Temporarily increase to 10% from 4% the depreciation rate (i.e., capital cost allowances) for certain rental housing construction projects that begin after 15 April 2024 and before 2031
- Allow 100% expensing for certain property (e.g., patents, data network infrastructure equipment, computer equipment and systems software) acquired on or after 16 April 2024 and available for use before 2027
- Allow the deduction of interest and other expenses incurred before 1 January 2036 on arm's-length financing used to build or acquire certain rental properties without imposing new interest and financing expense limitation rules (applicable to tax years beginning on or after 1 October 2023)
- Strengthen anti-avoidance rules that deny deductions for inter-corporate dividends received under a synthetic equity arrangement by removing certain exceptions
- Strengthen the conditions that must be met for a corporation to qualify as a mutual fund corporation
- Make technical amendments that would affect, among others, reorganizations involving a public corporation, the limitation on excessive interest and financing expenses, the definition of foreign accrual property income, and the taxation of certain capital gains from international shipping[4]

See Tax Alerts **2024-1584**, dated 21 August 2024, and **2024-1632**, dated 3 September 2024

Colombia — The Congress is considering a tax reform bill that would introduce a progressive corporate tax rate and a phased-in reduction of the 35% marginal rate (except for oil and coal mining companies). It would also increase the minimum tax rate to 20% from 15%. Other proposals include:

- Increasing the tax rate on capital gains to 20% from 15%
- Conditioning deductibility of costs and expenses on whether the corresponding withholding taxes have been effectively applied and transferred to the Tax Authority before the relevant income tax return deadline
- Doubling the presumed interest rate on loans between shareholders and their companies

See **Tax Alert 2024-1689**, dated 13 September 2024.

Gibraltar — In the annual budget for FY 2024/2025, the government proposed increasing the corporate tax rate on taxable profits to 15% from 12.5%. An additional 50% deduction would apply to costs incurred in achieving net-zero emissions, provided certain conditions were satisfied. The additional deduction would be capped at GIP10,000 per year.

Other proposals include limiting the current use of accumulated tax losses by certain companies in the financial services and gaming sectors while allowing the losses to be carried forward indefinitely. The change would apply to tax returns filed after 1 July 2024, regardless of the accounting year. See **Tax Alert 2024-1308**, dated 8 July 2024.

In draft legislation, the government proposed taxing gains from the disposition of residential property if the resident or nonresident seller directly or indirectly owns three or more properties, other than a primary residence or other exempted property. The change is proposed to be retroactively effective to 1 August 2024. See **Tax Alert 2024-1473**, dated 1 August 2024.

Ireland — In a second Feedback Statement, the Department of Finance unveiled for comment draft legislative text on exempting foreign dividends from Irish corporation tax. The proposal identifies the conditions required to be eligible for the exemption, the dividends to which the exemption would apply (including the geographical scope and profits source), applicable anti-abuse provisions and how eligible companies would claim the exemption. The Feedback Statement also noted that the proposed exemption may necessitate the amendment of other Irish tax laws. See **Tax Alert 2024-1613**, dated 28 August 2024.

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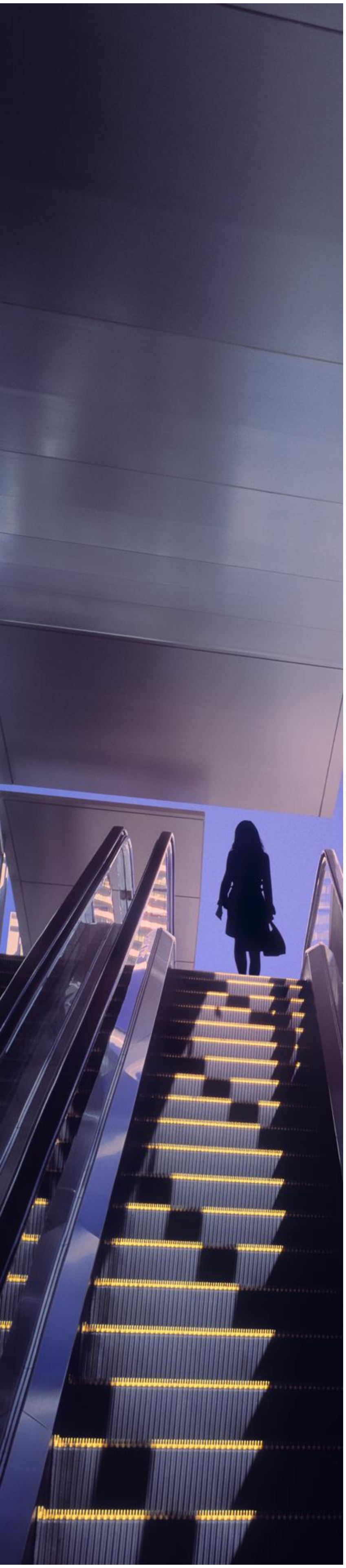
[4] A Tax Alert has not been published on this development.



Korea — The Ministry of Economy and Finance proposed modifying Korea's global minimum tax rules to align with recent OECD guidance. Other proposals include:

- Extending the expiration date of the current 20%–50% research and development tax credit by three years to 31 December 2027 for seven categories of national strategic technologies and 14 categories of new growth/original technologies
- Extending the expiration date of the current 15% to 25% current integrated investment tax credits (excluding 4% additional credits) by three years to 31 December 2027 for national strategic technologies
- Introducing a 5% tax credit (capped at 1% of shareholder return) for publicly traded companies that increase average shareholder returns compared to the previous fiscal year and by 5% over the prior three years

See **Tax Alert 2024-1518**, dated 7 August 2024.

Luxembourg — In draft legislation, the government proposed decreasing the highest bracket of the corporate tax rate to 16% from 17% and the lowest bracket of the corporate tax rate to 14% from 15%. The lowest bracket would apply to taxable income up to EUR 200,000, and the highest bracket would apply to taxable income exceeding EUR 200,000. The reduced rates would apply beginning in tax year 2025. See **Tax Alert 2024-1468**, dated 31 July 2024.

Taiwan — The Ministry of Finance proposed increasing the alternative minimum tax (AMT) rate for certain large Taiwanese companies to 15% from 12%. The proposal is aimed at bringing the effective tax rate closer or equal to 15%, for GloBE purposes, thereby minimizing or eliminating any additional top-up tax under the OECD's Pillar Two regime. The AMT is not considered a QDMTT for Pillar Two purposes as the calculation for alternative minimum taxable income differs from GloBE income or loss computation. See **Tax Alert 2024-1664**, dated 10 September 2024.

Appendix

Overview of Pillar Two implementation across the world

Status as of 23 September 2024

Overview of Pillar Two implementation across the world				
Final legislation		Draft legislation		Intention to implement Pillar Two
Jurisdiction	Rules covered	Jurisdiction	Rules covered	
European Union	QDMTT, IIR, UTPR*	Australia	QDMTT, IIR, UTPR	Gibraltar
Austria	QDMTT, IIR, UTPR	Bahamas	QDMTT	Guernsey
Bahrain	QDMTT	Canada	UTPR	Hong Kong
Barbados	QDMTT	Cyprus	QDMTT, IIR, UTPR	Indonesia
Belgium	QDMTT, IIR, UTPR	Jersey	QDMTT, IIR	Isle of Man
Bulgaria	QDMTT, IIR, UTPR	Kenya	QDMTT	Israel
Canada	QDMTT, IIR	Norway	UTPR	Taiwan
Croatia	QDMTT, IIR, UTPR	Poland	QDMTT, IIR, UTPR	Thailand
Czech Republic	QDMTT, IIR, UTPR	Portugal	QDMTT, IIR, UTPR	
Denmark	QDMTT, IIR, UTPR	Singapore	QDMTT, IIR	
Estonia	Filing obligations	South Africa	QDMTT, IIR	
Finland	QDMTT, IIR, UTPR	Spain	QDMTT, IIR, UTPR	
France	QDMTT, IIR, UTPR	Switzerland	IIR, UTPR	
Germany	QDMTT, IIR, UTPR	United Kingdom	UTPR	
Greece	QDMTT, IIR, UTPR			
Hungary	QDMTT, IIR, UTPR			
Ireland	QDMTT, IIR, UTPR			
Italy	QDMTT, IIR, UTPR			
Japan	IIR			
Latvia	Filing obligations			
Liechtenstein	QDMTT, IIR, UTPR			
Lithuania	Filing obligations			
Luxembourg	QDMTT, IIR, UTPR			
Malaysia	QDMTT, IIR			
Malta	Filing obligations			
Mauritius*	QDMTT			
Netherlands	QDMTT, IIR, UTPR			
New Zealand	IIR, UTPR			
Norway	QDMTT, IIR			
Qatar*	Unclear			
Romania	QDMTT, IIR, UTPR			
Slovakia	QDMTT			
Slovenia	QDMTT, IIR, UTPR			
South Korea	IIR, UTPR			
Sweden	QDMTT, IIR, UTPR			
Switzerland	QDMTT			
Turkey	QDMTT, IIR, UTPR			
United Arab Emirates**	Unclear			
United Kingdom	QDMTT, IIR			
Vietnam	QDMTT, IIR			

Note: The United States is not included in the implementation overview above since this jurisdiction does not yet have final or draft legislation and has not yet indicated an intention to implement Pillar Two into domestic law. Additionally, the OECD is not included as it does not possess legislative authority.

* Undertaxed Profits Rule

** Mauritius, Qatar and the United Arab Emirates have enacted a law incorporating an initial provision placeholder for the introduction of Pillar Two. Detailed legal provisions and regulations regarding how these countries will implement Pillar Two are expected to be developed in the future.