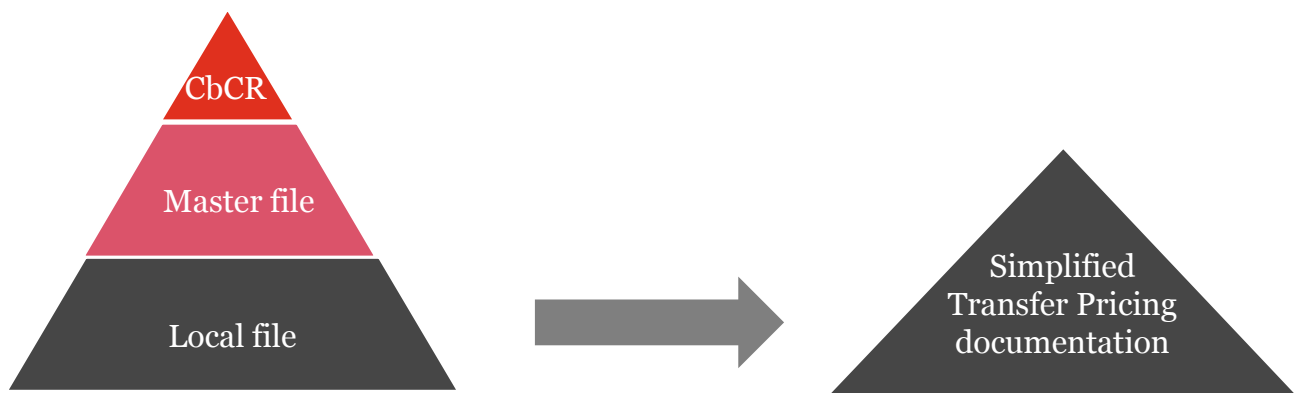


The revised standard of TP documentation in section 15.2(1) of the Taxes and Duties Act includes new TP documentation rules that give the SRS access to three-tier TP documentation, which offers a wider range of information on the multinational group's global operations than the previous standard.

According to the requirements laid down in 15.2, Paragraph one of the act On Taxes and Duties

Transfer pricing documentation comprises:

1. Country-by-country report
2. Master file
3. Local file and/or Simplified Transfer Pricing documentation



Section 15.2(2) of the Taxes and Duties Act lists persons that are required to prove arm's length prices in their TP documentation in specified cases.

The amendments lay down certain thresholds (net revenue and total controlled transactions in the financial year) that trigger an obligation to annually prepare and file a specified form of TP documentation with the SRS or to prepare it for filing with the SRS on request.

To promote legal certainty in preparing TP documentation, the new rules provide that TP requirements apply to transactions made in 2018 and later.