

Abstract

Tax Treaty Policy of Developing Countries post-BEPS

Graeme S Cooper
Sydney University Law School

Since 2013, the attention of the international tax community has been keenly focused on the 15-point project by the G20 and OECD on 'base erosion and profit shifting.' One element of the project required the preparation of recommendations to prevent the granting of treaty benefits, 'in inappropriate circumstances.' That topic was conceived as covering treaty shopping in the traditional sense, although its scope also extended to other forms of tax non-compliance.

This paper examines the recommendations as they stood at 1 January 2015, surveys the current treaty practice of several ASEAN countries and then considers the implications of these recommendations for the current treaty practice of these countries. The paper concludes that the treaty practice of many ASEAN nations would require substantial modifications if countries were minded to implement the OECD's recommendations.

Keywords: base erosion and profit shifting; BEPS; tax treaties; treaty shopping; developing countries; ASEAN countries

JEL Codes: H20; H25; H26; K33; K34