






Dispute Resolution for Double Taxation

BEFORE	AFTER
Member States' obligation to resolve transfer pricing disputes not always enforced	 Enforceable obligation on Member States to arrive at a resolution of all disputes that originate in tax treaties and affect the tax position of businesses and citizens
Often no recourse for taxpayers when mechanisms not applied properly	 Recourse for taxpayers to national courts to unblock procedures
Unpredictable timeline for procedures	 Clearly defined and enforceable timelines with a standard period of 18 months for the arbitration phase
Scope limited to issues related to transfer pricing and permanent establishment	 Scope extended to all tax disputes between Member States that derive from tax treaties and other international agreements, such as the elimination of double taxation for businesses and citizens
No transparency requirements	 Obligation to notify taxpayers and publish abstracts of the arbitration decisions