

# PwC's Pillar 2 Training Program

Upskill your teams and prepare your organisation for the implementation of the minimum taxation rules.



On 15 December 2022, the EU Council adopted the EU Directive aimed at implementing the OECD Pillar 2 Model Rules on a 15% minimum effective tax rate across the EU Member States. Groups with annual consolidated gross revenue exceeding EUR 750 million will fall within the scope of the new rules as of 2024.

PwC's Pillar 2 Training Program is an advanced training course which can be customised according to your needs. The program will take you through the methodology of the Pillar 2 rules,

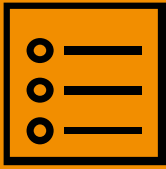
provide insight on how the minimum taxation rules may impact your organisation and outline the relevant compliance obligations.

The program is relevant for all groups which are directly or indirectly impacted by the Pillar 2 rules, including multinationals, groups operating in the financial services and insurance industries, investment funds, portfolio companies and others.



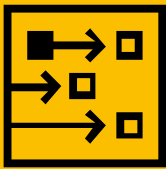
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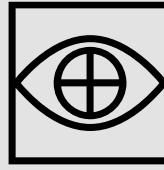
# Program content

- Customised in terms of length, key topics and audience, including preparatory discussion based on your needs
- Updated with latest OECD Guidance
- Methodology following the EU Directive and OECD Model rules:
  - Scope of the rules and Excluded Entities
  - Calculating GloBE income
  - Calculating Adjusted Covered Taxes
  - Calculating GloBE-ETR
  - Group compliance obligations
- Physical, virtual attendance or hybrid format with focus on interactivity



# Output

PwC's Pillar 2 Training Program enables participants to obtain a profound understanding of the complexities of the minimum taxation rules, determine the potential impact on your organisation and prepare for the compliance process.



## Reminder on GloBE-methodology

**Step 1: Identify Constituent Entities**

Step 2: Determine GloBE Income/Loss

Step 3: Calculate Adjusted Covered Taxes

Step 4: Calculate GloBE-ETR

Step 5: Collecting Top-up Taxes

## Step 2: GloBE Income or Loss

**Step 2.1** Adjust Financial Accounting Net Income or Loss to GloBE Base (Art. 16 EU Directive / Art. 3.2. OECD Rules)

### Determination of GloBE Tax Base

The net income or loss determined under Step 1 is adjusted to eliminate a number of common book-to-tax differences where that adjustment is justified on policy ground, i.e. adjustments which the OECD/EU consider should or should not be part on the GloBE income for the purpose of the GloBE ETR-calculation.

As a reminder:

- Additions to GloBE income ("positive adjustments") may DECREASE the GloBE/ETR and hence lead to potential Top-up Tax;
- Deductions from GloBE income ("negative adjustments") may INCREASE the GloBE-ETR.

### Profit or loss using Parent GAAP

- ADD:** net taxes expenses
- LESS:** excluded dividends
- LESS/ADD:** excluded equity gains/losses
- LESS/ADD:** revaluation method gains/losses
- LESS/ADD:** gains/losses from tax neutral reorganisations
- LESS/ADD:** certain book-tax foreign exchange gains/losses
- ADD:** policy disallowed expenses (e.g. fines)
- LESS/ADD:** prior period errors and changes in accounting principles
- LESS/ADD:** certain pension expenses

GloBE Tax Base = GloBE income



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