



DEMOCRATISATION OF SELF-INSURANCE

Benefitting from cell captives in a challenging reinsurance market

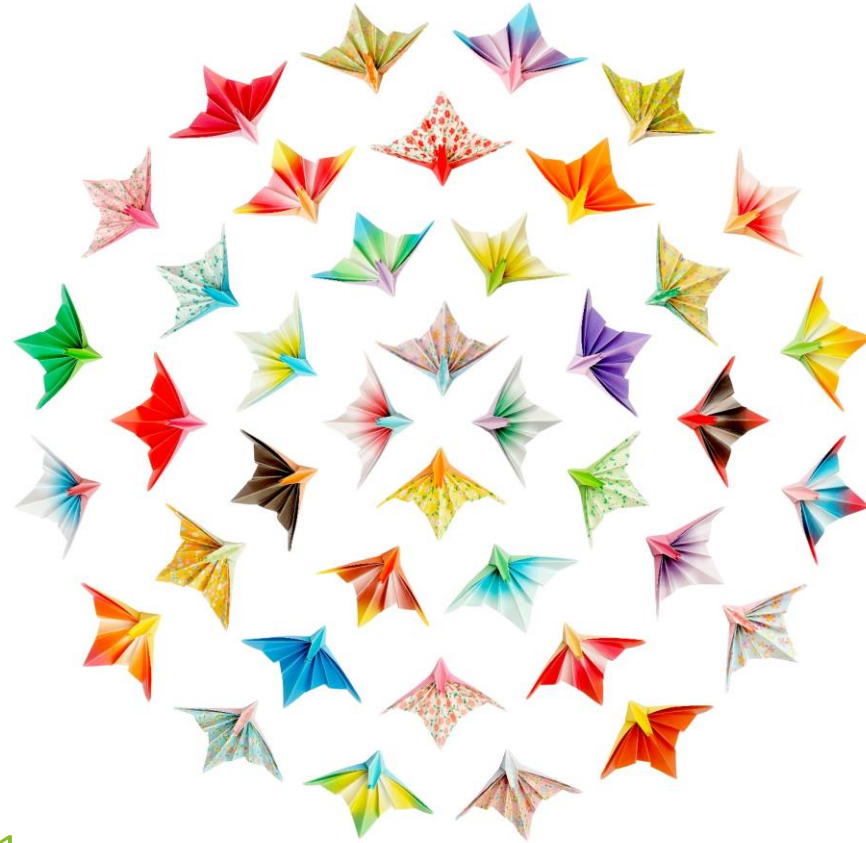
BEPS 2.0 and A Minimum Global Tax Rate? Latest Updates on International Tax Developments and its Implications

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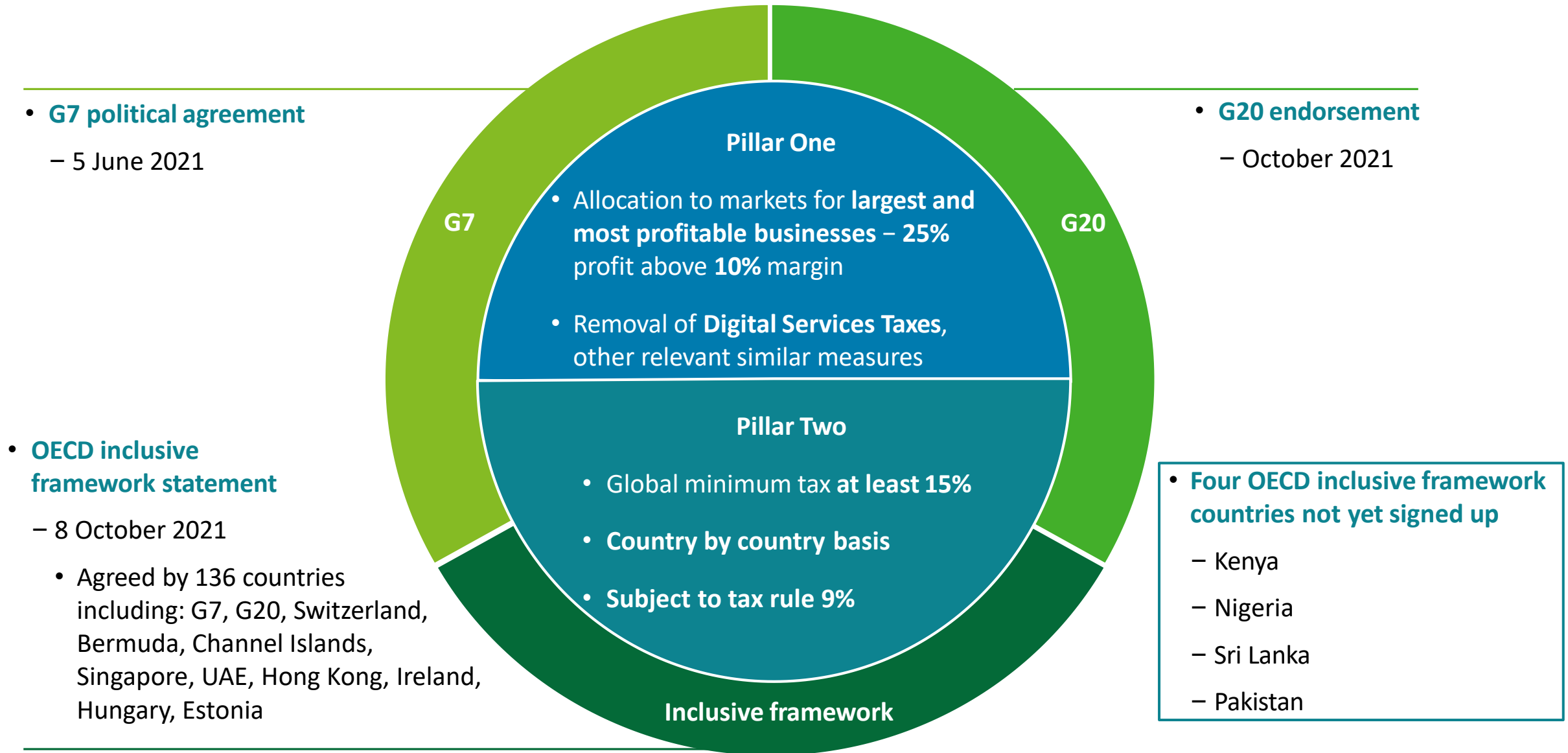
Asia Captive Conference 2021

BEPS 2.0 and A Minimum Global Tax Rate?

Latest Updates on International Tax Developments and its Implications

2 December 2021

Pillar One and Two – G7, G20, and OECD inclusive framework



Pillar One

Key elements

Amount
A

New taxing right

- A share of residual profit allocated to market countries using a formulaic approach

Largest
and most
profitable
businesses

Amount
B

Fixed "baseline" return

- For marketing and distribution functions based on the arm's length principle

All
businesses

Tax
certainty

Tax certainty

- Through effective dispute prevention and resolution mechanisms

All
businesses

Pillar Two – global minimum tax

Key elements

All rules operate as a "top up" to a minimum rate

Priority rule

Subject to tax rule (STTR)

- Source country taxation of specific types of **intra-group payments**
- Gross level taxation (not a tax on net profits)

Threshold?
9% rate

Main rule

Income inclusion rule (IIR)

- **Large multinational groups** pay a **minimum level of tax** in each country in which they operate
- Includes the **switch-over rule** to bring overseas permanent establishments within scope of IIR

Group revenues
of €750
million+15%

Backstop rule

Undertaxed payments rule (UTPR) (backstop)

Biography



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Ben is a Financial Services Tax Partner with Deloitte in Singapore and leads Deloitte's insurance tax practice in Asia Pacific. He is the tax representative on Deloitte's global IFRS 17 leadership team. He has worked in Singapore, London and New York providing domestic, cross-border and international tax advice.

Ben's focus is advising financial services groups on tax matters, with over 19 years' experience in the sector. He has extensive experience working with multinational insurers, banks and investment managers on domestic and international tax issues, including group reorganisations, transfer pricing, permanent establishments, tax residence, double tax treaty and other international tax matters.

Ben has a wealth of experience advising financial services groups and private equity on mergers and acquisitions (buy side and sell side), providing tax due diligence and structuring advice. He is currently assisting both SPAC sponsors and target companies on the tax structuring and due diligence considerations of de-SPAC deals. Since moving to Singapore, in addition to Singapore domestic transactions, he has advised on transactions in Australia, China, Hong Kong, India, Indonesia, Japan, Laos, Malaysia, Myanmar, the Philippines, Thailand and Vietnam.

Ben has a bachelors degree from Magdalene College, Cambridge and is a fellow of the Institute of Chartered Accountants of England and Wales and a member of the Chartered Institute of Taxation.



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