



March 1, 2019

Tax Policy and Statistics Division
Centre for Tax Policy and Administration
Organization for Economic Cooperation and Development

Re: Public Consultation – *Addressing the Tax Challenges of the Digitalisation of the Economy*

Dear Sir or Madam,

The Association of International Certified Professional Accountants (Association) appreciates the opportunity to respond to your public consultation document on *Addressing the Tax Challenges of the Digitalisation of the Economy*. The Association has developed the attached [policy paper](#) calling for “international coordination to develop a global solution to the taxation concerns raised by digital transactions and the general digitalization of the economy.”

Our policy paper identifies a number of issues which must be addressed by any proposed changes to the existing international tax system designed to reflect the changes to business models created by the increasing digitalization of economic activity. Among these issues are:

1. Protection from double taxation of the same income
2. Compliance with existing bilateral and multilateral tax treaties
3. A robust dispute resolution system.

Furthermore, it is essential that any proposals are easily administrable for both taxpayers and each country’s tax agency, does not “ring-fence” or target a specific business model or type of economic activity, and have reasonable compliance costs for all parties, regardless of size. We also believe it is vital that tax policy has an ability to adapt to future changes as the digitalization of the economy continues to develop and dramatically change more and more companies’ business models. It is also important that tax legislation keeps pace with the changes in technology which is ever increasing the digitization of world and nations’ economies.

We look forward to continued engagement with OECD and other international organizations as this process moves forward. We hope to provide detailed comments on the various options under consideration in the future.

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The Association of International Certified Professional Accountants is the most influential body of professional accountants, combining the strengths of the American Institute of CPAs (AICPA) and The Chartered Institute of Management Accountants (CIMA) to power opportunity, trust and prosperity for people, businesses and economies worldwide. It represents 650,000 members and students in public and management accounting and advocates for the public interest and business sustainability on current and emerging issues. With broad reach,

rigor and resources, the Association advances the reputation, employability and quality of CPAs, CGMAs and accounting and finance professionals globally.

We appreciate your consideration of our thoughts and welcome the opportunity to discuss them further. Please feel free to contact Samantha Louis, Association Vice President – Global Advocacy at samantha.louis@aicpa-cima.com, or +44 (0) 203 814 2205; or Edward Karl, Association Vice President – Taxation at edward.karl@aicpa-cima.com, or +1 202 434 9228.

Respectfully submitted,



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