



Wuzhen Action Plan (2019-2021)

The First Conference of the Belt and Road Initiative Tax Administration Cooperation Forum

Wuzhen, China

April 18-20, 2019

To implement the outcomes of the first Belt and Road Initiative Tax Administration Cooperation Forum (hereinafter referred to as “BRITACOF”) and to chart the course of the Belt and Road Initiative (hereinafter referred to as “BRI”) friendly and mutually beneficial cooperation on tax administration in the next two years under the theme of “Building a Growth-Friendly Tax Environment”, we jointly formulate and adopt by consensus this Action Plan to be implemented in the years from the end of the first BRITACOF Conference to the beginning of the 3rd BRITACOF Conference.

A. Furthering the BRITACOF-related work

1. We will hold the BRITACOF Conference annually to provide a permanent platform for dialogue amongst the Belt and Road Initiative Tax Administration Cooperation Mechanism (hereinafter referred to as “BRITACOM”) Member tax administrations (hereinafter referred to as “Member TAs”), Observers and other stakeholders. This forum will enable



the dissemination of good practices, identify emerging issues that require joint actions and seek for innovative solutions through tax administration cooperation.

2. The Business and Industry Tax Dialogue will be established and will be held annually back to back with the BRITACOF Conference to raise tax-related issues and suggestions from businesses on good practices in tax administrations, and help the Member TAs to understand current and emerging business models and the underlying commercial rationale of business transactions.

B. Following rule of law and raising tax certainty

3. We will build the BRITACOM official website into a knowledge-sharing platform to inform investors of the interpretation and application of tax laws.

4. We will conduct research on tax certainty to identify problems, seek for solutions, increase predictability and consistency in the application of tax laws and tax treaties, as well as in tax administration practices.

5. We will provide taxpayers with regular training programs when new tax laws take effect so as to ensure that the taxpayers are well-attuned to the new tax environment.



C. Expediting tax dispute resolution

6. We will endeavor to provide taxpayers with good access to dispute resolution mechanisms including administrative reconsideration of assessments, legal remedies, mutual agreement procedure (hereinafter referred to as “MAP”) as provided for by tax treaties and other necessary complementary remedies.

7. We will conduct a survey to better understand cross-border tax disputes in the BRI jurisdictions by collecting further information on the types and causes of disputes; taking stock of the current procedures to resolve BRI tax disputes and recognizing the benefits and main deficiencies therein; and identifying good practices in BRI jurisdictions.

8. Recognizing the resource and constraints faced by tax administrations, we wish to consider a staged approach for minimizing and resolving tax disputes. The following are the actions to take in the coming two years.

- Establishing clear internal tax administrative procedures to ensure that there are clear and consistent interpretations of laws and regulations.
- Strengthening MAP functions with dedicated personnel;
- Drawing up a list of MAP contact points in the BRI tax administrations and publishing it on the BRITACOM website;



- Ensuring taxpayer's accessibility to MAP;
- Extending tax treaty networks;
- Holding workshops to facilitate the negotiation and interpretation of tax treaties;
- Adapting MAP and improving relevant procedures to the situations found in the BRI jurisdictions; and
- Endorsing the minimum standards proposed under the Base Erosion and Profit Shifting (hereinafter referred to as "BEPS") Action 14.

D. Enhancing tax administration capacity

9. To upgrade the capacity of tax administrations to deal with the complex international tax issues that arise in the BRI jurisdictions, we have created a network of training institutions that spread throughout the BRI region. We welcome the creation of the BRI Tax Academies (hereinafter referred to as "BRITAs") in Kazakhstan, Macau SAR and the mainland of China and look forward to more jurisdictions offering to create similar academies. This network of BRITAs will provide a solid base to train our tax officials in a multilateral environment including, where appropriate, allowing the participation of businesses.



10. We will conduct a survey to identify the areas for building capacity and work out a short-term plan and a long-term blueprint for capacity building by taking into full consideration the needs of the tax administrations of the BRI jurisdictions and the on-going work of international and regional organizations.

11. We will make good use of the Belt and Road Initiative Tax Capacity Enhancement Group (hereinafter referred to as the “BRITACEG”) as a platform for capacity building. A number of face-to-face instructor-led training programs will be provided by the BRITAs and other training institutions of Member or Observer TAs. Each BRITA will organize at least 2 seminars or similar activities each year under the coordination of the BRITACEG Director and the Secretariat. The BRITAs in the mainland of China will organize 12 training programs each year focusing on the major tax topics of common concern.

12. We will hold seminars, workshops and other forms of discussion and learning activities to share views and exchange ideas in a bid to seek solutions to the common issues that work in the environment of the BRI jurisdictions.



E. Streamlining tax compliance

13. We will start examining the current requirements for taxpayers to provide tax-related information and documentation with the aim to reduce unnecessary information reporting and documentation requirements in the long run.

14. We will endeavor to satisfy taxpayer requests for assistance including helping them understand their rights and obligations. Where any errors in the administration of taxpayers' affairs are made, we will correct them as soon as possible.

15. We will protect the confidentiality of information obtained from taxpayers, establish procedures to mitigate potential privacy risks and share information with third parties only as permitted by law.

F. Digitalizing tax administration

16. We will conduct surveys among the Member TAs on (i) the current stage of digitalization in the BRITACOM member jurisdictions; (ii) identifying legal, administrative and cultural barriers to tap the full potential of new technologies to reduce compliance and administration costs and (iii) the potential for further actions.



17. We will endeavor to design and improve digitalization strategies and approaches on the basis of our own needs and in dialogue with businesses.

18. We will examine the feasibility of carrying out pilot projects for digitalization taking into consideration our specific and most pressing needs.

19. We will assist each other in upgrading information systems and training staff.

G. Implementation framework

20. It is critical that a robust framework is adopted to make sure that the Action Plan is accomplished in an inclusive and effective manner, taking into account the perspective of all BRI jurisdictions and the benefits for stakeholders at large. To this end, task forces will be established to examine the implementation of the action plans set forth herein, namely, (i) raising tax certainty; (ii) expediting tax dispute resolution; (iii) enhancing tax administration capacity; (iv) streamlining tax compliance; and (v) digitalizing tax administration.

In order to ensure the inclusiveness and representation on the task forces, each Member TA will join one or more task forces. Observers are strongly encouraged to further their engagement through participation in one or



more task forces. The task forces will also draw upon the expertise of the BRITACOM Advisory Board, well-established research institutes around the world and international organizations.

The task forces will meet both virtually and physically over the next two years and will work closely with businesses. Each task force will have one Chair from Member TAs who will be responsible for coordinating, organizing and overseeing the implementation of the Action Plan with the help of the Secretariat. For that purpose, Member TAs are requested to second qualified staff to work in the Secretariat to ensure that the Secretariat has adequate staff to provide necessary assistance. Observers are encouraged to second staff too.

The above-mentioned task forces will be set up by the end of June 2019. Each task force should develop its work plan and submit it to the Secretariat before 1 November 2019. An interim report assessing the first-year implementation of the Action Plan should be drafted and submitted to the BRITACOF Conference in 2020. The final report describing and measuring the full implementation of the Action Plan should be drafted and submitted to the BRITACOF Conference in 2021.