



DAC 6 services

disclosure of certain cross-border arrangements: what does it mean for you?

EU intermediaries and, in some cases, taxpayers are required to disclose to the tax authorities information on certain cross-border arrangements.

After reporting, an automatic exchange of information will take place between the tax authorities of all EU Member States.

An arrangement will be reportable if:

- (1) it qualifies as a cross-border arrangement and
- (2) there are indications of a potential risk of tax avoidance, known as “hallmarks”.

Some hallmarks will only trigger a reporting obligation if the arrangement also meets what is known as the main benefit test (MBT).

The reporting obligation will start as from 1 January 2021 and will have to be performed within certain deadlines.

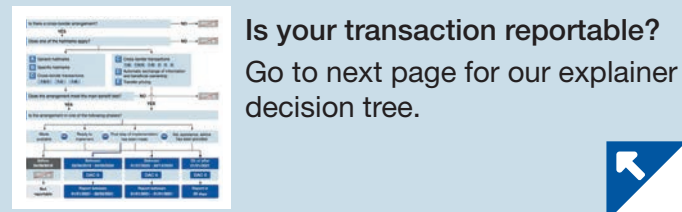
Who is required to report?

Most intermediaries involved in a reportable cross-border arrangement (tax advisers, accountants, domiciliation agents, management companies, banks, insurance companies, family offices) can be obligated to report to the tax authorities.

Intermediaries subject to legal professional privilege (lawyers, chartered accountants and auditors) do not have to report, but will have to notify any other intermediaries not subject to legal professional privilege, or the relevant taxpayer(s), of their reporting obligations.

The **relevant taxpayer(s)** will have to report if:

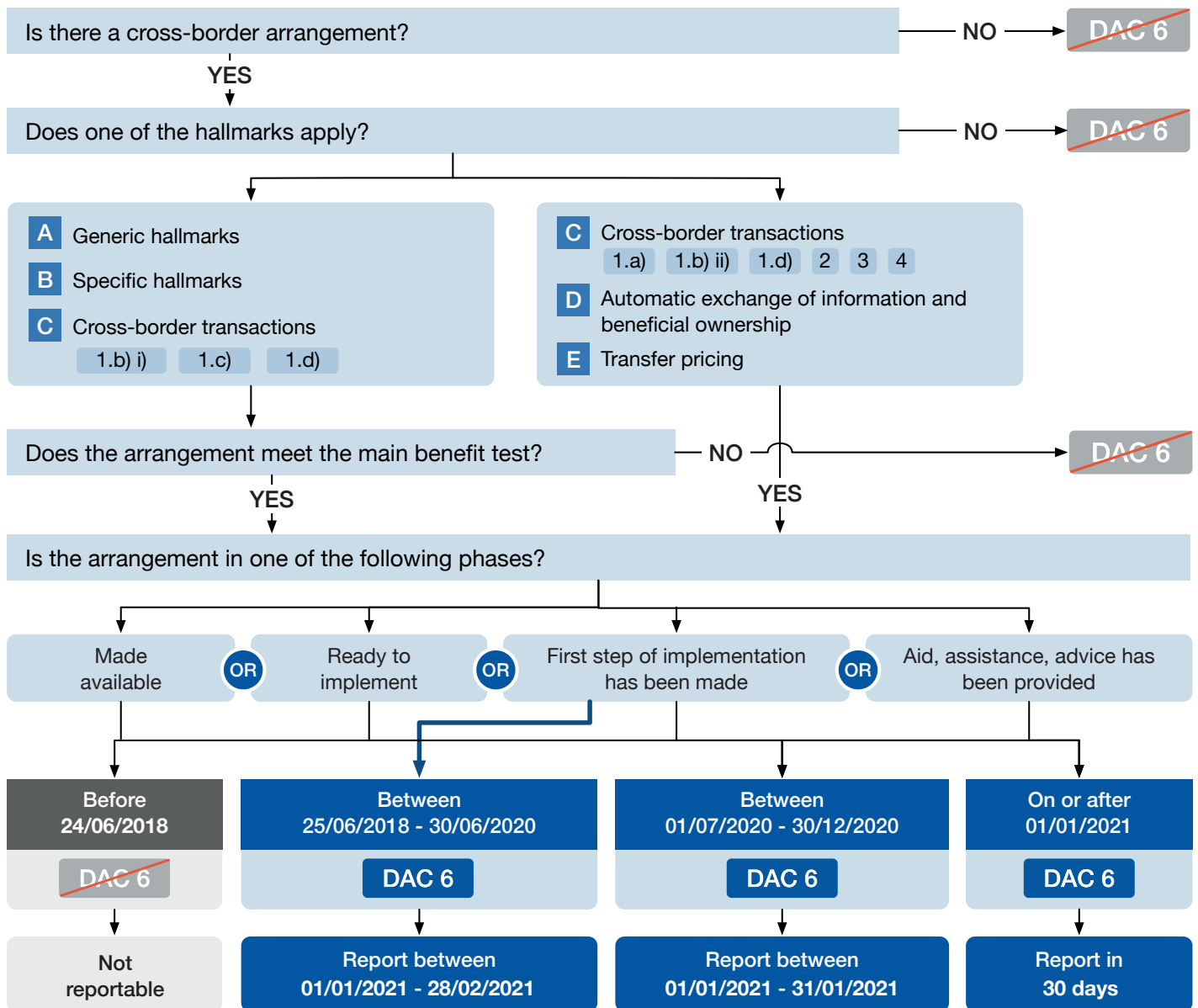
- there were no (EU) intermediaries involved in the arrangement, or
- the only intermediaries involved are subject to legal professional privilege.



Is your transaction reportable?
Go to next page for our explainer decision tree.

Contact us to review your situation and find appropriate solutions: DAC6@arendt.com

DAC 6 Is your transaction reportable?



How can we help you?

Are you an intermediary, a relevant taxpayer, or both? Should you report all of the arrangements you participate in? What information should you give the tax authorities? Whether you are a bank, insurance company, fund management company, multinational enterprise or family office, we provide in-depth advice and practical solutions.

Arendt's tax, legal and regulatory experts provide you with:

- in-depth and insightful legal analysis of DAC 6 concepts and rules, down to the most nuanced
- reliable identification of potentially reportable transactions or structures and definition of reporting duties
- tailored advice on strategic approaches
- assistance managing the impact of DAC 6 on existing policies and procedures
- comprehensive and customised reporting solutions
- training sessions and tailored workshops.

Disclaimer: this publication is intended to provide general information, and does not cover every detail of the subjects. It is not intended to serve as legal or other advice, and is no substitute for consultation with professional legal service providers prior to taking any action.

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