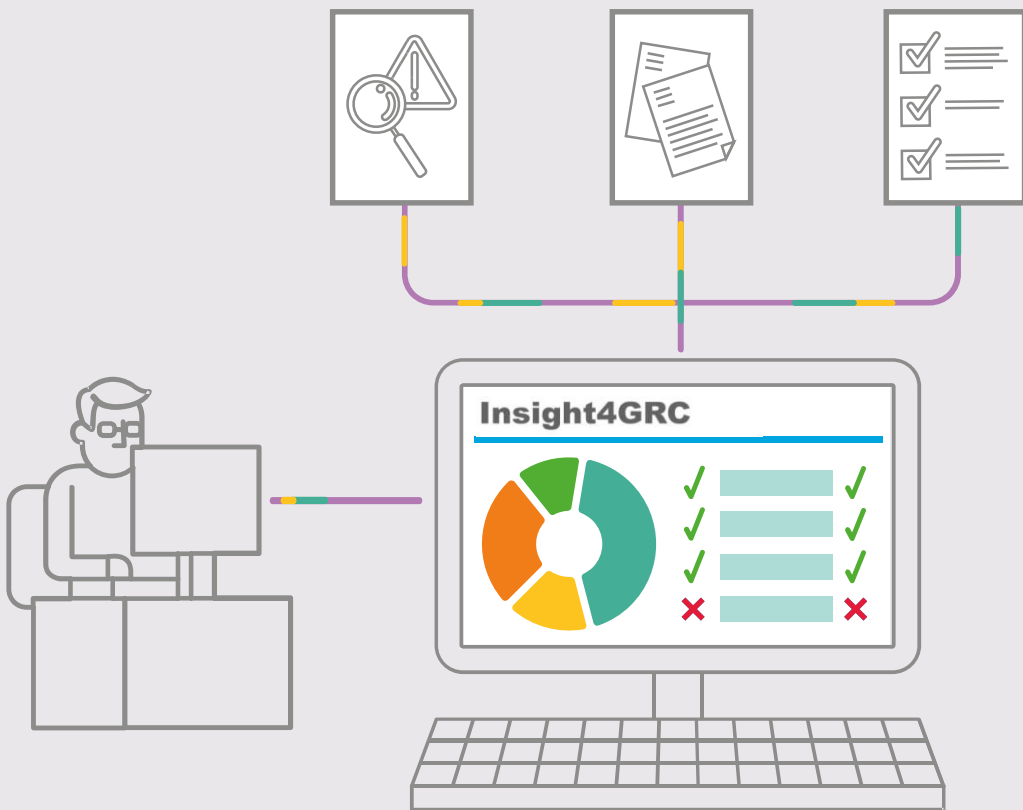


Insight4GRC and DAC6

Helping organisations with the mandatory disclosure of cross-border arrangements



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What is DAC6?

The recent EU Council Directive 2018/822 introduces a requirement for EU tax intermediaries and advisers to provide tax authorities with details of certain international tax planning arrangements specific to clients. There are no de-minimis limits and yet penalties for failures can be significant (local country penalties can be several million Euros). Under the Directive, reporting starts after July 2020 for arrangements dating from 25 June 2018 (although a delay of up to six months may be implemented locally by each country due to the Covid 19 pandemic – the UK is granting a six month deferral). The UK has implemented The International Tax Enforcement (Disclosable Arrangements) Regulations 2020 and so Brexit will have no impact upon the UK's adoption of this.

What are my obligations under this directive?

The reporting obligation primarily falls on a taxpayer's "intermediaries" – advisers who assisted with the planning. In some circumstances the reporting obligation falls on the taxpayer. However, there are good reasons why a taxpayer will choose to be actively involved:



Taxpayers must include in their tax return details of any reports made about them. Larger taxpayers are obliged to have policies to manage tax risks including anything reported as tax planning.



Coordination is required to avoid inconsistencies in reporting which could trigger tax audits, and to ensure reports meet different local reporting standards across Europe.

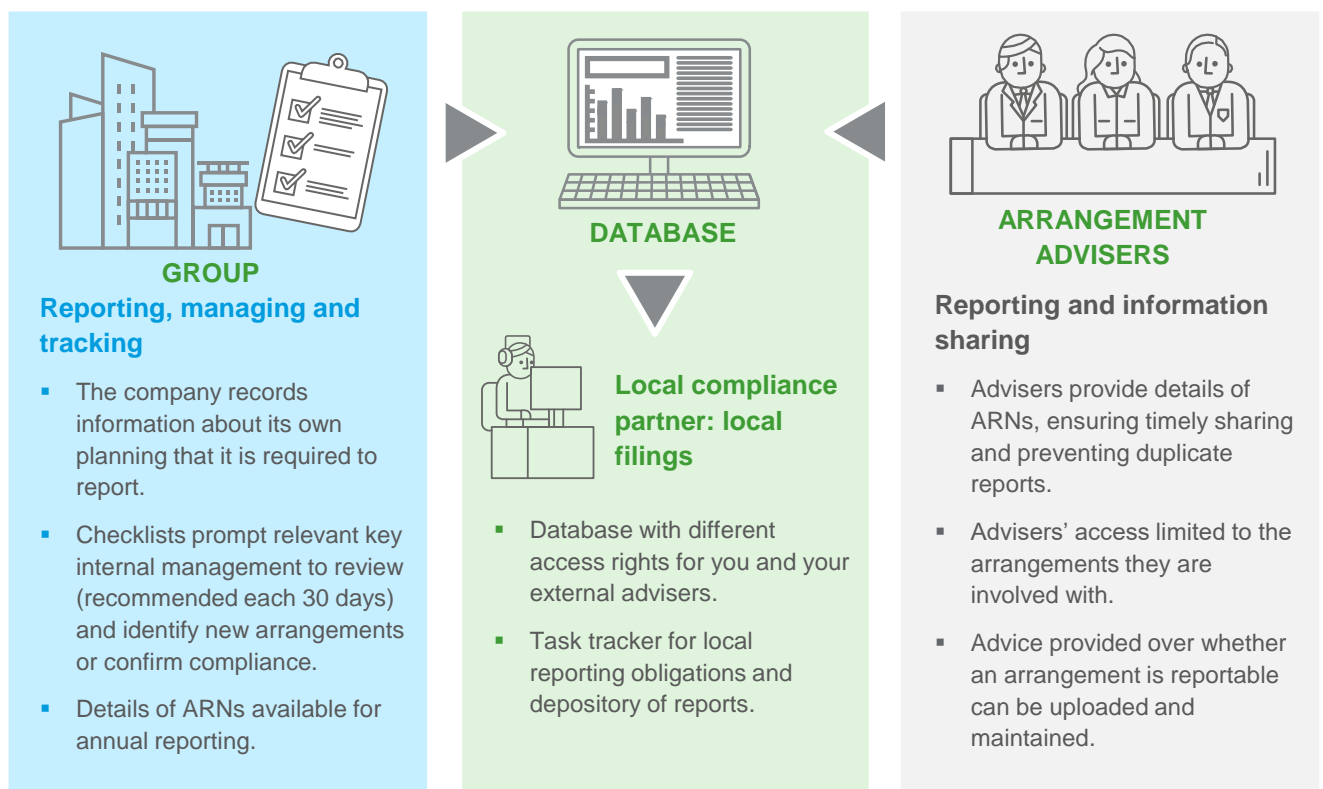


Reporting deadlines are short: from 1 July 2020 (subject to delayed commencement of up to six months due to Covid-19) intermediaries have 30 days to report arrangements. Failure to facilitate sharing of Arrangement Reference Numbers (ARNs) can result in duplicate reports and may create exposure to penalties.



Penalties for failure to report can be mitigated where there are proper internal procedures. DAC6 compliance is part of overall tax risk management which can impact on risk rating by tax authorities.

Taking control



How does Insight4GRC help your organisation with DAC6?

DAC6 presents specific challenges with external parties making reports that may have a significant impact on an organisation.





RSM's cloud based Insight4GRC platform enables organisations to gain visibility and take control of their tax risk landscape.

The Insight4GRC DAC6 suite of solutions comprises three modules which can be deployed with flexibility to coordinate intermediaries, ensure internal compliance and track reporting obligations.




The reporting suite helps the organisation take ownership of its own data, manage its risks, and by deploying automation to ease the administrative burden and facilitate important controls.





Reporting management tool

-  Provides a permanent record of reported planning (including upload of the local online report and depository of ARNs)
-  Facilitates sharing of arrangement details and ARN's using standardised email notifications and granting limited rights access to intermediaries
-  Easy to use with drop-down boxes and pick lists for main inputs
-  Dashboard for status reports

Compliance questionnaires

-  Provides a framework for demonstrating compliance and tax risk management
-  Flexible hierarchical questionnaires prompt appropriate level of sign-off at different levels of seniority
-  Help function includes worked examples of reportable arrangements under the hallmarks

Powerful task tracking system

-  Tracks internal local reporting obligations
-  Dashboard offering traffic-lighted reporting, giving visibility over compliance

Why choose RSM and Insight4GRC?

Insight4GRC is RSM's proprietary software suite with approximately 250 organisations from all sectors that use one, some or all of the modules.

The DAC6 reporting suite has been developed in conjunction with RSM UK's International Tax and Tax Risk Management teams bringing in-depth tax technical resources. At RSM we deliver ideas and services that help organisations thrive.



We engaged Insight4GRC to help us track and manage our organisational risks, and also to calibrate ourselves against ISO 27001, using 4risk and 4policies we were able to demonstrate our commitment to the standard through the management of our risks, controls and actions, and also able to demonstrate our employees acceptance and understanding of our ISMS and other internal policies. We find the Insight4GRC suite easy to use, and the team really supportive if we ever need any further support.

Greg Guilford, CEO – HR Solutions Ltd

**For more information about how Insight4GRC can help with your
DAC6 obligations, or to arrange a short demonstration please contact:**

Matthew Humphrey

Partner, Risk Advisory

T: 07711 960 728

matthew.humphrey@rsmuk.com

Andrew Seidler

Partner, International Tax

T: 020 3201 8615

andrew.seidler@rsmuk.com

rsmuk.com

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