

TITLE 48 - TAXATION
CHAPTER 6 - COUNTRY-BY-COUNTRY REPORTING ACT, 2018



Republic of the Marshall Islands
Jepilpilin Ke Ejukaan

COUNTRY-BY-COUNTRY REPORTING ACT, 2018

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AN ACT to implement country-by-country reporting in furtherance of the Republic of the Marshall Islands' international commitments as Chapter 6 of Title 48 of the Republic of the Marshall Islands Revised Code.

Commencement:

November 22, 2018

Source:

P.L. 2018-96

§601. Short title.

This act shall be cited as Country-By-Country Reporting Act, 2019.

§602. Definition.

For purposes of this Chapter, the following terms have the following meanings unless the context requires:

- (a) "Group" means a collection of enterprises related through ownership or control such that it is either required to prepare Consolidated Financial Statements for financial reporting purposes under applicable accounting principles or would be so required if equity interests in any of the enterprises were traded on a public exchange;
- (b) "MNE Group" means any Group that (i) includes two (2) or more enterprises the tax residence for which is in different jurisdictions, or includes an enterprise that is resident for tax purposes in one jurisdiction and is subject to tax with respect to the business carried out through a permanent establishment

- in another jurisdiction, and (ii) is not an Excluded MNE Group;
- (c) “Excluded MNE Group” means, with respect to any Fiscal Year of the Group, a Group having total consolidated group revenue of less than \$850 million during the Fiscal Year immediately preceding the Reporting Fiscal Year as reflected in its Consolidated Financial Statements for such preceding Fiscal Year;
 - (d) “constituent Entity” means (i) any separate business unit of an MNE Group that is included in the Consolidated Financial Statements of the MNE Group for financial reporting purposes, or would be so included if equity interests in such business unit of an MNE Group were traded on a public securities exchange; (ii) any such business unit that is excluded from the MNE Group’s Consolidated Financial Statements solely on size or materiality grounds; and (iii) any permanent establishment of any separate business unit of the MNE Group included in (i) or (ii) above the business unit prepares a separate financial statement for such permanent establishment for financial reporting, regulatory, tax reporting, or internal management control purposes;
 - (e) “Reporting Entity” means the Constituent Entity that is required to file a country-by-country report conforming to the requirements in 605 of this Chapter in its jurisdiction of tax residence on behalf of the MNE Group. The Reporting Entity may be the Ultimate Parent Entity, the Surrogate Parent Entity, or any entity described in subsection (2) of 603 of this Chapter;
 - (f) “Ultimate Parent Entity” means a Constituent Entity of an MNE Group that meets the following criteria:
 - (i) Its own directly or indirectly a sufficient interest in one or more other Constituent Entities of such MNE Group such that it is required to prepare Consolidated Financial Statements under accounting principles generally applied in its jurisdiction of tax residence, or would be so required if its equity interests were traded on a public securities exchange in its jurisdiction of tax residence; and