

DAC6 reporting in the Netherlands

Your first reporting under the DAC6 directive is due 31 January, are you ready?



DAC6 Directive: an introduction

DAC6 is the EU Directive that aims to prevent aggressive tax planning and to strengthen transparency on cross-border tax arrangements.

WHAT should you report?

- **Cross-border** arrangements that fulfil certain **Hallmarks**
- This includes **intra-EU** transactions, as well as transactions between **EU and non-EU** parties

Can you capture the right information from your systems and is this consistent with other filings? Or take control of your data to ensure all intermediaries are aligned?

What are third parties disclosing about you and does it coincide with your understanding? Remember, information will be shared automatically with all EU Member States.

WHEN should you report?

The Directive has been in force since June 2018 and reporting obligations already exist for reportable arrangements that are implemented after 25 June 2018. The reporting date for arrangements entered into between 25 June 2018 and 1 July 2020 is 28 February 2021. Arrangements entered into between 1 July and 31 December 2020 need to be filed by 31 January 2021. From 1 January 2021 reporting should be submitted within 30 days. Reporting covers all arrangements since the Directive came into force.

WHO should report?

Are you required to make the disclosure or are there advisers or other third parties involved in advising on a transaction who may have the obligation to report?

The obligation to disclose is on all EU-based intermediaries involved in the arrangement. Under certain conditions, the taxpayer may be obliged to disclose as well.

The intermediary definition is very broadly-defined and many companies within the financial services industry may be qualified as an intermediary. Assisting in the implementation of a reportable arrangement can already lead to being deemed an intermediary.

HOW should you report?

As of 1 January 2021, the data portal of the Dutch Tax Administration is available for reporting. To log on to the portal, eHerkenning level 3 or higher is required. Make sure that you have eHerkenning in place before you need to report a disclosure, which could take several weeks.

Subsequently, a Dutch specific xml-file or a webform needs to be submitted to the Dutch Tax and Customs Administration using your eHerkenning.

1. Apply for eHerkenning
2. collect the data to be reported
3. create a Dutch specific xml-file
4. Submit the report to the tax authorities



CONSEQUENCES for non-compliance

The Dutch tax authorities could impose serious sanctions for non-compliance; penalties as high as € 870.000 per arrangement could be imposed.



GET READY for your first reporting:

Our DAC6 experts are here to help:



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Need help to determine which transactions should be reported?

Our experts can also assist you with an **impact assessment**.

Ready for the first reporting deadline of 31 January 2021?

Now it's time to consider your **DAC6 end-to-end approach** ensuring no reportable arrangements are missed going forward. Keep your company in control of what third parties report and define the right governance and ownership within your organization. A proper control framework and supporting technology is also essential. Our DAC6 experts are fully equipped to assist you with our DAC6 roadmap to compliance, curious to hear how we can help? Reach out to our team.



EU Mandatory Disclosure regime for cross-border transactions 'DAC6'

