

## **A001 Co-ordination centres – Belgium**

- See paragraphs 41 to 44 of the Code of Conduct Group's report of 23 November 1999 (SN 4901/99).

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### **Description of rollback action either already implemented or envisaged:**

Draft legislation to amend the measure: the basis on which “cost plus” will be calculated will include all expenditure incurred by a centre, with rulings given on a case-by-case basis in accordance with OECD rules and the mark-up percentage will be fixed according to the specific characteristics of the activities of the business. The minimum taxable amount is reduced (through the exclusion of certain non-deductible expenses: corporation tax and tax on non-residents). The decision granting the qualification of “co-ordination centre” is, as in the past, valid for 10 years (renewable). The ruling lasts for 5 years at the end of which it will be reviewed. The situation of the business is verified every year, and the ruling will cease to apply from the point at which the conditions are no longer met. All rulings will be published, but on an anonymised basis.

Existing beneficiaries at December 2000 will continue to benefit until the end of 2005, but Belgium has presented a request to extend the benefits of the regime beyond 2005 in view of the progressive expiry of benefits by 31 December 2010. Beneficiaries which have entered into the regime between 1 January 2001 and 31 December 2002 will cease to benefit on 31 December 2002.

## **A002 Distribution centres – Belgium**

- See paragraphs 41 to 44 of the Code of Conduct Group's report of 23 November 1999 (SN 4901/99).

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### **Description of rollback action either already implemented or envisaged:**

The draft legislation relating to advance tax rulings will replace the administrative circulars implementing this regime. The basis on which “cost plus” will be calculated will include all expenditure incurred by a centre, with rulings given on a case-by-case basis, in accordance with OECD rules. The situation of the business is verified every year, and the ruling will cease to apply from the point at which the conditions are no longer met. Rulings will be reviewed on a 5-year cycle and will be published on an anonymised basis.

The existing beneficiaries in December 2000 will continue to benefit from the existing regime until the end of 2005.

### **A003 Service centres – Belgium**

- See paragraphs 41 to 44 of the Code of Conduct Group’s report of 23 November 1999 (SN 4901/99).

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#### **Description of rollback action either already implemented or envisaged:**

The draft legislation relating to advance tax rulings will replace the administrative circulars implementing this regime. The basis on which “cost plus” will be calculated will include all expenditure incurred by a centre, with rulings given on a case-by-case basis, in accordance with OECD rules. The situation of the business is verified every year, and the ruling will cease to apply from the point at which the conditions are no longer met. Rulings will be reviewed on a 5-year cycle and will be published on an anonymised basis.

The existing beneficiaries in December 2000 will continue to benefit from the existing regime until the end of 2005.

