

# Methodology and Data Collection

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# Typical Methodologies

## Indirect tests

- Variation in rate of declared rates of profit between countries
  - Low tax rate countries have higher pre-tax profit due to profit shifting?
  - But lower pre-tax profit required to equalise post-tax rates of return?
- Variation in effective tax rates between companies depending on eg. location
- Location of intangibles, debt
- Prices of exports/imports

# Key Data

- Aggregate data
- Accounting data on affiliates (AMADEUS and ORBIS)
- Administrative data on affiliates of US (BEA) and German (MiDi) companies
- Case studies

# Problems

Not yet able to

- Use international data on tax returns
- Identify flows between affiliates
- Link between countries/affiliates at detailed level

Link to better reporting requirements by country

# OECD Aims

- Evaluate existing studies
- Develop measures of scale and effects of BEPS behaviours
- Monitor impact of actions taken under Action Plan