



KPMG Total Tax Payments Global Reporter

KPMG ESG - Tax ESG Services



Much of the world's current attention is focused on how businesses act and operate, pushing environmental, social, and governance (ESG) issues to the forefront of leadership agendas globally. With tax often seen as the cornerstone of the social contract, companies are increasingly being asked whether they are paying their "fair share." The responsibility of companies to demonstrate the positive impact they are making for their people, their customers, and society in general is creating a complex stakeholder environment that tax leaders must learn to navigate.

As a result of this growing interest, both national and supranational bodies, including the European Union (EU), have begun to develop and implement various tax transparency measures. Most notably, the EU has recently adopted legislation¹ that will require public disclosure of country-by-country (CbC) tax information.

Regardless of whether businesses are subject to mandatory public CbC reporting, the growing interest in tax transparency is likely to increase as investors and the public at large put increasing pressure on multinationals to disclose more information. To this end, companies around the globe are proactively exploring new ways of approaching tax transparency, in many cases by publicly disclosing more than what is required, to better explain their own circumstances and tell their own story.

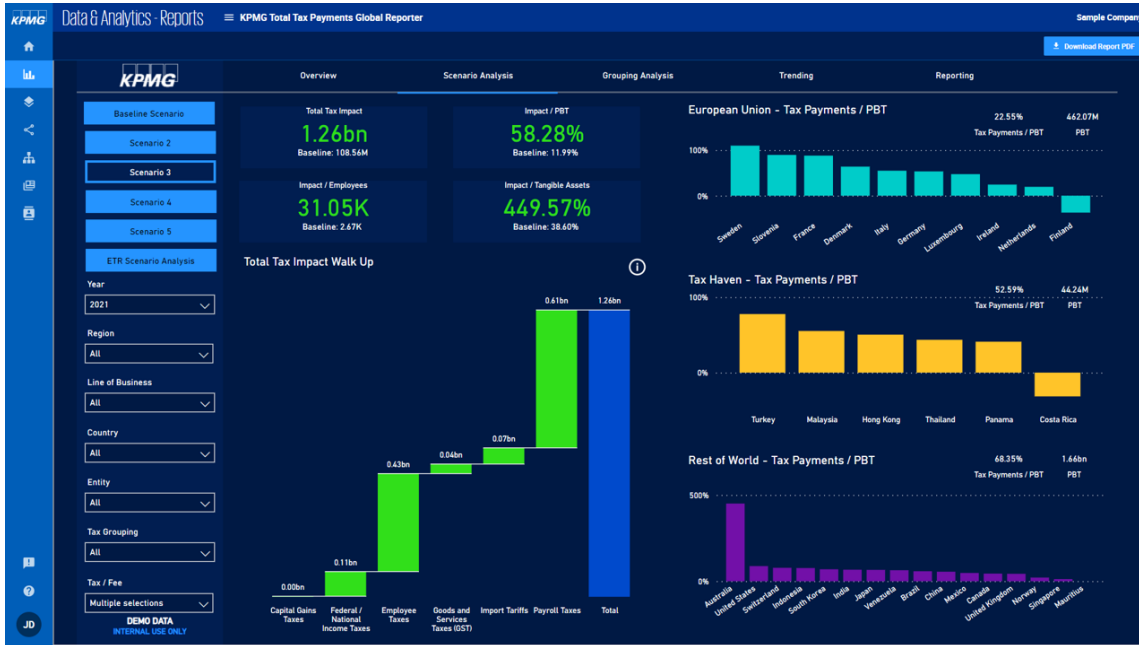
Defining your approach to tax transparency starts with understanding your data. Whether you are focused on complying with upcoming EU public CbC requirements or voluntarily reporting additional tax payment data as part of your broader ESG agenda, collecting, organizing, and understanding that data is critical to making informed decisions.

How KPMG can help

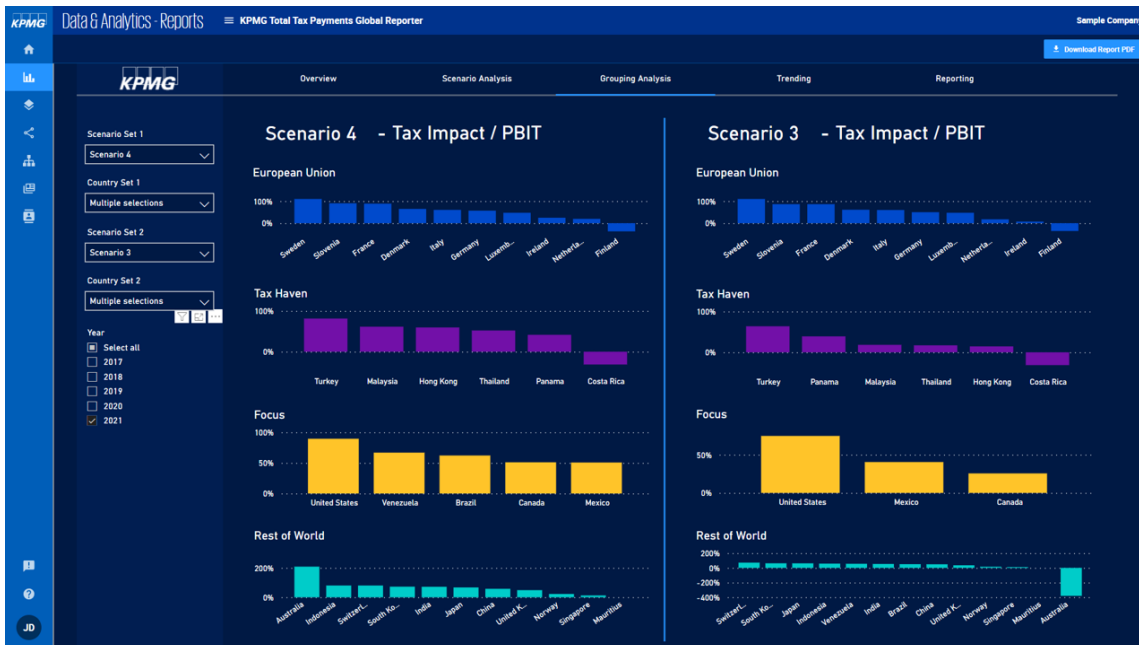
CbC reports typically focus on income taxes, but for most companies, income taxes are just one part of their overall tax profile. In addition to income taxes, companies both pay and collect several other types of taxes and fees, including indirect taxes, employment taxes, and customs tariffs among a myriad of others. The **KPMG Total Tax Payments Global Reporter** is designed to pull all this tax data together along with key financial data in order to assist you in selecting your company's optimal target reporting model. Easy to navigate dashboards give you the ability to perform scenario analysis to better understand which data to focus on and how best to present it. Each alternative is accompanied by analytics and measures that will help you select the scenario that best represents your company's narrative and which can ultimately be used to prepare tax transparency reports for incorporation into broader ESG economic contribution documentation or stand-alone tax impact reports.

¹ Directive (EU) 2021/2101 of the European Parliament and the Office of the Council of 24 November 2021 amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches, Official Journal of the European Union.

The KPMG Total Tax Payments Global Reporter allows you to i) envision multiple tax payment reporting scenarios with minimal data gathering requirements (using KPMG tax estimation tools and techniques); ii) define your optimal targeted reporting scenario so that you know what data you want to disclose and how best to present it; iii) develop an efficient data acquisition methodology with confidence regarding the tax data you want versus the tax data you don't need; iv) build the processes and procedures that drive your reporting; and v) automate the process once you have selected your target reporting model.



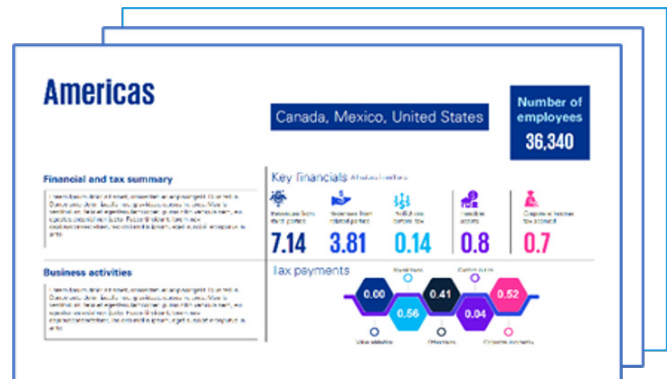
Users can configure multiple scenarios by choosing which taxes to include and whether to present the data on a CbC basis, regional basis, or combination of both.



Once configured, scenarios can be compared side-by-side in order to help the user identify the optimal target reporting model.



Once you have identified your target tax reporting model, our KPMG Total Tax Payments Global Reporter provides a dashboard view of your chosen total tax profile that can then be used to prepare and publish a tax payment report.



Whether you are crafting a report for internal consumption only or a report that can be publicly posted on your investor website, our tool allows users the ability to export the data into a document that can be customized and edited and is also capable of being updated in real time as the data changes.

Other Tax ESG services

In preparing your CbC reports, the KPMG Tax ESG team can also work with you to help ensure that your approach to tax transparency is aligned with your overall approach to tax. Using our KPMG Tax ESG Assessment Tool, we can identify where your organization sits with respect to its peers on the key metrics relevant to Tax ESG (tax strategy, tax governance, tax gap, and tax reporting), as well as identify the Tax ESG-related actions that will drive the most value for your organization. We can also review your supply chain for improved ESG and tax structuring and provide a credits and incentives review to help your tax function achieve your company's ESG goals.

Contact us

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