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Recommendations to OECD / G20 Inclusive Framework on BEPS:

Bottom-Up Approach

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In a new order to facilitate fair and transparent taxation and fulfill actual taxation in line with the digital economic interdependence, the OECD/G20's Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ("Anti-BEPS Tax Treaty"), which has the fundamental purpose of imposing digital tax on information technology-based multinational enterprises ("IT-MNEs") against their offshore tax evasion or their aggressive tax avoidance that results from offshore ring-fence through intellectual property ("IP") immigration like a double Irish with a Dutch sandwich although neither a permanent establishment nor an electronic commerce server places within the market they've affected, cannot be allowed to rule out any other source countries from taxing rights by reason of non-physical presence in this market jurisdiction as well as cannot be allowed to rule out such an IT-MNE on the market presence from subject to tax, as the

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* This statement was contributed by our true activist, Hochul Jung (hcjung@ccej.or.kr) and our peer reviewers, Prof. Hyochang Pang (hcpang@doowon.ac.kr) and Prof. Hoon Park (phn@uos.ac.kr) in a new order to propose an alternatve approach to OECD (cfa@oecd.org) You can refer to our CCEJ. (2019a). *Review of the OECD's proposed "Unified Approach" under Pillar One.* Retrieved from https://bit.ly/2DiPRZs; CCEJ. (2019b). *Against the OECD's proposed "Global Anti-Base Erosion" under Pillar Two.* Retrieved from https://bit.ly/3m9tYAo

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■ ***Refer to our Achievements (RLA, 2003)***: http://www.rightlivelihoodaward.org/laureates/citizens-coalition-for-economic-justice-ccej/

following *bottom-up* approaches: basically, (1) Taxable Income that results from cross-border transactions of the **ELECTRONIC SERVCIES** IT-MNEs provided for not only customers but also businesses over the Internet on the domestic source market including remote marketing is subject to *domestic withholding tax* **WITHOUT** broad scope differentiation (viz. Amount A: among B2B/B2C/C2C, i.e., all-inclusive; ~~Amount B: consumer-facing business,~~ all-eliminated) nor political retaliation (e.g., retaliatory tariffs or taxes, or harmful tax competition, etc.) or economic discrimination (for example, profit allocation by income ~~above an "EUR 750 million" annual gross revenue threshold~~) or any exceptions (for example, ~~safe harbors~~ or ~~crave-outs~~); nonetheless, (2) the Withholding Tax, unless deducted at the source regime from each country nor applicably adjusted or collected at sourcing of revenue from their resident jurisdictions including subsidiary, affiliate, related entities, before or after financially consolidated by the IT-MNE group, can be nationally claimed, or internationally co-ordinated, or so transnationally taxable as to be subject to *routine profit allocation* by each country's income tax revenue loss as much as their own ill-taxed income and residual profit under the name of residual "income"; notwithstanding, (3) not only the Residual Profit but the Routine Profit, unless evidently allocated nor proportionally co-ordinated or corrected from each source, for the sake of argument among these tax jurisdictions in dispute, may be judged upon the IT-MNE group's total revenue, cost of sales and net income, which originally results from their transfer mispricing by overcostly amortizing their intangible assets (for example, goodwill, brand recognition and IP immigration including patents, trademarks, copyrights) and undertaxed payments against the arm's length principle, whereby their intermediate parent jurisdictions gains abnormal profit by revenue sourcing, sourcing of intangibles from the other jurisdictions and thereby the ultimate parent jurisdiction hides such a transnationally taxable income as much as their own unjust gain, unfair profit, untaxed or undertaxed income — now, now in the name of U.S. IRS's Global Intangible Low-Taxed Income (2019), officially [*sic*] "GUILTY" — into their tax havens too far below the *"20%* (Laffitte et al., 2020; Bach et al, 2019; etc.)*"* threshold that fall under the Anit-BEPS tax *target* at a more or less OECD/G20's corporate effective average tax rate ("EATR"), and eventually, (a) undertaxed payments against transfer mispricing, (b) income inculsion up to the 20% minimum tax rate, and (c) rutine & residual profits allocation by sharing each country's taxable income proptionalty be formulated.