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**Organisation for Economic Co-operation and Development  
Centre for Tax Policy and Administration**

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**IAB Poland's comments**

**on Tax Challenges Arising from Digitalisation - reports on the Pillar One and  
Pillar Two Blueprints of the OECD/G20 Inclusive Framework on BEPS**

Interactive Advertising Bureau Poland (IAB Poland) welcomes the opportunity to contribute to the OECD's consultation process on tax challenges arising from digitalisation. IAB Poland is representing a wide range of entities of different scope and scale of activity, thus the standpoint below addresses the concerns of various types of businesses.

Bearing in mind the complexity of the topic as well as the scope of documents subject to public consultations we would like to present our position on more general point of view and draw your attention to the following aspects of the future tax reform which we find the most important:

1. Multilateralism: Governments should agree among themselves how to implement any tax regulations and / or decisions being agreed on the OECD level;
2. Level playing field: the tax system should be neutral, i.e. it should not favour certain sectors over others and should treat domestic and foreign companies in the same way. If there are changes to international tax rules, they should apply across all sectors of the economy, not to just a handful of companies. Digital economy should not be ring-fenced, which does not change the fact that it should be adequately regulated by a fair tax system that is tailored to the specific character of digital services;
3. Administrability and certainty: we should avoid imposing unreasonable legal burdens on taxpayers, which may cause costly legal disputes concerning, for example, interpretation of regulations. Therefore, regulations should be well defined, precise and clear;
4. Durability: while constructing the tax system, regulations should be predictable and future-proof, so that entrepreneurs are not afraid to make long-term investments;
5. Efficiency: at the same time, any proposed solution should be aimed at generating economic welfare by striking a balance between welfare of states and societies, with welfare of entrepreneurs. Therefore, all economic distortions should be reduced and cooperation between governments and businesses should be strengthened;

6. Avoiding double taxation: double taxation subjecting the same profits to taxation by multiple jurisdictions distorts the competitive balance to the detriment of entities with a double tax burden. It could also lead to a reduction of entrepreneurs' profits and hinder the development of business activity, and thus should be avoided.

Kind regards,

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CEO & President of the Board