

Corporate name:

 Company number:

Federal Public Service
FINANCE
 General Administration of TAXATION
Income taxes

Assessment Year ...
 (Financial year from..... until)

Local file transfer pricing

General company information

Management structure of the Belgian company (A1)

	Taxable period
Description of the management structure of the Belgian company (A1)	

Belgian organisation structure - shareholders or head office (A2)

Company number or identification number	Name of the company	Country code
.....
.....
.....

Belgian organisation structure - shareholdings (A3)

Company number or identification number	Name of the company	Country code
.....
.....
.....

Belgian reporting structure (A4)

Position	National or international reporting	Position of the person who is reported to	Company where this person is employed	Country where this company is established
.....
.....
.....

Activities of the Belgian company (A5)

Identification of the business unit	Detailed description of the activities	Company strategy
.....
.....
.....

Most important competitors (A6)

Name	Country code
.....
.....
.....
.....



Key data (A7)

	Taxable period
Ultimate parent entity	
Name of the ultimate parent entity
Country code of the ultimate parent entity
Tax identification number of the ultimate parent entity
Reporting structure	
Number of business units within the company
Number of these business units for which the threshold of related transactions has been exceeded
Foreign head office and foreign permanent establishments	
Your company has foreign permanent establishments	<input type="checkbox"/>
Country codes where the foreign permanent establishments are located
Your company is a Belgian permanent establishment of a foreign head office	<input type="checkbox"/>
Country code of the foreign head office
Tax identification number of the foreign head office
Restructurings	
Your company has been the subject of a takeover, merger, or demerger during the current assessment year	<input type="checkbox"/>
Your company has acquired another company or a company activity during the current assessment year	<input type="checkbox"/>
Your company has experienced modifications to the shareholder structure within the group during the current assessment year	<input type="checkbox"/>
Your company has been involved in a transaction pertaining to an intangible fixed asset during the current assessment year	<input type="checkbox"/>

Overview of transactions, both related and unrelated, only to be completed if the company is not required to submit full model annual accounts with the Central balance sheet Office of the National Bank of Belgium (A8)

	Taxable period-0	Taxable period-1	Taxable period-2
Turnover
Trade goods, raw materials and consumables
Gross profit
Other operating costs
Operating profit (loss) (+)/(-)

Detailed information about each business unit which exceeded the threshold for cross-border transactions with group entities in the last completed financial year

Nature of the activities per business unit (B1)

Identification of the business unit	Description	NACEBEL code main activity	NACEBEL code secondary activity	Profile	Detail profile

Transaction details, both related and unrelated, per business unit (B2)

Taxable period-0

Identification of the business unit	Accounting standard	Turnover	Trade goods, raw materials and consumables	Gross profit	Other operating costs	Operating profit (loss) (+)/(-)

Taxable period-1

Identification of the business unit	Accounting standard	Turnover	Trade goods, raw materials and consumables	Gross profit	Other operating costs	Operating profit (loss) (+)/(-)

Taxable period-2

Identification of the business unit	Accounting standard	Turnover	Trade goods, raw materials and consumables	Gross profit	Other operating costs	Operating profit (loss) (+)/(-)

Related cross-border goods transactions per business unit during the current taxable period (B3)

Identification of the business unit	Country codes non-resident	Applied method of determining transfer prices	<u>Manufactures, trade goods, raw materials and consumables</u>		<u>Intangible fixed assets</u>		<u>Tangible fixed assets</u>	
			Sale to a non-resident	Purchase from a non-resident	Sale to a non-resident	Purchase from a non-resident	Sale to a non-resident	Purchase from a non-resident

CONTINUATION - Related cross-border goods transactions per business unit during the current taxable period (B3)

Identification of the business unit	Country codes non-resident	Applied method of determining transfer prices	<u>Financial fixed assets</u>	
			Sale to a non-resident	Purchase from a non-resident

Related cross-border service provision transactions per business unit during the current taxable period (B4)

Identification of the business unit	Country codes non-resident	Applied method of determining transfer prices	<u>Rental, royalties and licence fees</u>		<u>Fees for services pertaining to management, marketing, training, engineering, technical services, (re)insurance premiums and similar</u>		<u>Research and development</u>	
			Received from a non-resident	Payments to a non-resident	Received from a non-resident	Payments to a non-resident	Received from a non-resident	Payments to a non-resident

CONTINUATION - Related cross-border service provision transactions per business unit during the current taxable period (B4)

Identification of the business unit	Country codes non-resident	Applied method of determining transfer prices	Commissions	
			Received from a non-resident	Payments to a non-resident

Related cross-border financial transactions per business unit during the current taxable period (B5)

Identification of the business unit	Country codes non-resident	Applied method of determining transfer prices	Interest on loans		Interest on cash pooling		Interest on trade receivables and payables	
			Received from a non-resident	Payments to a non-resident	Received from a non-resident	Payments to a non-resident	Received from a non-resident	Payments to a non-resident

CONTINUATION - Related cross-border financial transactions per business unit during the current taxable period (B5)

Identification of the business unit	Country codes non-resident	Applied method of determining transfer prices	Guarantee fees		In-house (re)insurance premiums		Derivatives	
			Received from a non-resident	Payments to a non-resident	Received from a non-resident	Payments to a non-resident	Received from a non-resident	Payments to a non-resident

Other related cross-border transactions per business unit during the current taxable period (B6)

Identification of the business unit	Country codes non-resident	Applied method of determining transfer prices	Other	
			Received from a non-resident	Payments to a non-resident

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Related loans per business unit (B7)

Identification of the business unit	Granted loans				Received loans			
	Opening position	Increases	Reductions	End position	Opening position	Increases	Reductions	End position

Related cash pooling per business unit (B8)

Identification of the business unit	Nature of the cash pool	Amounts in the cash pool	
	Zero-balancing or Notional	Opening position	End position

Related trade receivables and payables per business unit (B9)

Identification of the business unit	Receivables				Payables			
	Opening position	Increases	Reductions	End position	Opening position	Increases	Reductions	End position

Transfer price methodology and studies per business unit and per nature of transaction (B10)

Identification of the business unit	Nature of transactions	Methodology or principle	Framework agreement or model contract	Transfer price study
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Profit distribution in the event of the presence of permanent establishments (B11)

With or without agreement exempted	Country code	Remaining result according to origin (+)/(-) (1431 PN)
.....
.....
.....

Cost contribution agreements, advance pricing agreements, rulings and in-house (re)insurance policies (B12)

Number of business unit	Company number	Name of the company	Description	PDF appended
.....	<input type="checkbox"/>
.....	<input type="checkbox"/>
.....	<input type="checkbox"/>

Other documents (optional) (C1)

Description	PDF appended
.....	<input type="checkbox"/>
.....	<input type="checkbox"/>
.....	<input type="checkbox"/>

CERTIFIED, (date)
 (signature)

EXPLANATORY NOTE – 275 LF

Local file transfer pricing

(The legal provisions are available on the website of the FPS Finance www.fisconetplus.be)

Relevant article: Art. 321/5 of the Belgian Income Tax Code 1992. (ITC 92)

Preliminary notes

This statement is intended for any Belgian group entity which, as a result of exceeding one of the criteria stipulated in Article 321/5 ITC 92, is obliged to submit a local file with its tax return pertaining to the financial year to which this tax return relates.

The local file consists firstly of a form containing general company information to be completed by any Belgian group entity which exceeds one of the criteria stipulated in Article 321/5 ITC 92, and secondly a detailed information document per business unit which has exceeded the threshold for cross-border transactions with group entities in the last completed financial year.

With regard to the verification of the threshold, the following elements should be taken into account:

- only cross-border transactions with group entities are considered, meaning that transactions between Belgian group entities do not need to be included;
- the amount which should be compared with the threshold is the sum of the following cross-border transactions with group entities = goods transactions (B3) + service provision transactions (B4) + financial transactions (B5) + other transactions (B6).

The term business unit is clarified in Article 321/1 ITC 92. In addition, it should be emphasised that the specific completion of this terminology should be in accordance with the existing organisation and/or reporting structure of the company concerned. It should therefore in no way be the intention to split units purely for the purpose of drawing up this information document. If in such cases no business units exist within the company concerned, then it is sufficient to complete one line per table in the information document which will then include the full figures of the company concerned.

All amounts must be expressed in EUR (14 places before the comma, to 2 decimal points).

Furthermore, it is *permitted*, when completing the detailed information per business unit in the tables B3 to B6, to take into account a materiality requirement of €25,000 per transaction. The same methodology (with or without materiality requirement) must be applied for all business units.

Used Abbreviations

ay.	assessment year
art.	article
NRT/comp.	taxation of non-resident companies
CIT	Corporate income tax
ITC 92	(of the) Income Tax Code 1992
RD/ITC 92	(of the) Royal Decree implementing the ITC 92

Country codes

For the country codes, the ISO 3166-1 alpha-2 standard is used. You can find the list on the website of the FPS Economy. The link is: <http://statbel.fgov.be/nl/statistieken/gegevensinzameling/nomenclaturen/landen/>. The file 'ISO-alpha2' contains the country codes.

General company information

Management structure of the Belgian company (A1)

In this box, you must describe the departments/divisions/sections of the Belgian company and the name of the manager of each department/division/section. Please describe both the legal and operational structure. The management and managerial staff of the company must be described at a minimum.

If the description is too extensive to fit into the box provided, you can include it in a separate PDF attachment. In this case you must refer to it in the text box provided.

If need be, you can include a schematic representation in section C1 'Other documents', in PDF form.

Belgian organisation structure - shareholders or head office (A2)

In this table, you can complete the Belgian legal structure one level higher.

In the column 'Company number or identification number', you can complete the company number for Belgian companies. For foreign companies, you can complete the identification number as used in the country where the company is established.

Please include the direct shareholders or the head office of the company.

If need be, you can include a schematic representation in section C1 'Other documents', in PDF form.

Belgian organisation structure - shareholdings (A3)

Belgian legal structure one level lower.

In the column 'Company number or identification number', you can complete the company number for Belgian companies. For foreign companies, you can complete the identification number as used in the country where the company is established.

Please include the direct shareholdings over which the company has direct control. The term 'control' should be understood as described in the consolidation legislation of the group, and as this is applied in practice by the group. This can therefore be the Belgian GAAP, IFRS or another local GAAP.

If need be, you can include a schematic representation in section C1 'Other documents', in PDF form.

Belgian reporting structure (A4)

In this table, you must include the reporting structure within the Belgian company and from the Belgian company towards foreign countries. The management level must be described (Board of Directors, CFO, CEO, head of the tax department and the directors of the business units, etc.). Only the reporting structure for fiscal purposes needs to be included. If no Belgian reporting structure exists, e.g. because reporting takes place entirely abroad, the reporting structure of at least the 5 highest positioned employees must be indicated.

Activities (A5)

In the column 'Detailed description of the activities', you must include the most important activities or functions of the Belgian company. E.g. the company carries out certain work according to a commitment ('contract manufacturer'), etc

Most important competitors (A6)

In this table, you must include the most important sector partners or competitors of the Belgian company.

Key data (A7)

This box includes the key data of the Belgian company.

Additional explanation:

- Ultimate parent entity: as specified in the country report or, if no country report needs to be submitted, as specified according to the consolidation legislation.
 - Name of the ultimate parent entity
 - Country code of the ultimate parent entity
 - Tax identification number of the ultimate parent entity: the identification number as used in the country where the parent entity is established
- Reporting structure
 - Number of business units within the company
 - Number of these business units for which the threshold of related transactions has been exceeded
- Foreign head office and foreign permanent establishments
 - Your company has foreign permanent establishments: for permanent establishment, use the same definition as for the income tax/country report (make your own choice)
 - Country codes where the foreign permanent establishments are located
 - Your company is a Belgian permanent establishment of a foreign head office
 - Country code of the foreign head office

- Tax identification number of the foreign head office: the identification number as used in the country where the foreign head office is established
- Restructurings: for additional explanation, see OECD chapter 9
 - Your company was the subject of a takeover, merger or demerger during the current assessment year: only modifications which fall within the context of a restructuring as described above
 - Your company acquired another company or company activity during the current assessment year: only modifications which fall within the context of a restructuring as described above
 - Your company has experienced modifications to the shareholder structure within the group during the current assessment year: only modifications which fall within the context of a restructuring as described above
 - Your company was involved in a transaction pertaining to an intangible fixed asset during the current assessment year: only modifications which fall within the context of a restructuring as described above

Overview of transactions, both related and unrelated, only to be completed if the company is not required to submit full model annual accounts with the Central balance sheet Office of the National Bank of Belgium (A8)

To the extent that these data have not yet been published, this refers to the full figures of the company concerned, nonetheless limited to the operational result: therefore containing both transactions with group entities and transactions with independent parties.

These figures should be provided for the last completed financial year (BT-0) as well as the two preceding financial years (BT-1 and BT-2).

The definitions of the elements concerned are in accordance with the accounting legislation:

- turnover: account 70 + 71
- trade goods, raw materials and consumables: account 60
- gross profit: account 70 plus 71 minus account 60
- other operating costs: accounts 61 to 64
- operating profit (loss): code 9901 of the annual accounts (full model)

For insurance companies, credit institutions and all other companies which do not submit full model annual accounts drawn up for companies or associations, the corresponding data must be included in the table or, if correspondence is not possible, in a separate PDF file appended to section C1 'Other documents'.

Detailed information about each business unit which exceeded the threshold for cross-border transactions with group entities in the last completed financial year

Identification of business unit: this can be a number or letter combination, depending on the choice of the company, as long as it is used consistently throughout all tables.

Nature of the activities per business unit (B1)

- NACEBEL code
You can find the list of NACEBEL codes on the website of the FPS Economy (On the Dutch site) FOD Economie > Statistieken & Analyses > Gegevensinzameling > Nomenclaturen > NACE-BEL 2008
The link is: <http://statbel.fgov.be/nl/statistieken/gegevensinzameling/nomenclaturen/nacebel/> and select the file 'NACEBEL 2008'.
- Profile
Examples:
 - Production
 - Distribution
 - R&D
 - Financial
 - Marketing
 - Management

Please include more explanation in attachment in section C1 'Other documents' if none of the examples is applicable.

- Detail profile

Examples:

- Production: fully-fledged, contract manufacturer, toll manufacturer
- Distribution: fully fledged, limited risk, commissionaire, agent
- R&D: fully fledged, contract
- Financial: bank, financing, insurance, leasing
- Marketing:
- Management:

Please include more explanation in attachment in section C1 'Other documents' if none of the examples is applicable.

Transaction details, both related and unrelated, per business unit (B2)

This refers to the same information as indicated in point A7 but with the difference this time that the figures are split up according to the business units.

The only derogation is that the accounting standard should be indicated each time pertaining to the composition of the indicated figures: IFRS, BELGIUM GAAP or other GAAP. Depending on the method applied within the company, these can be on a cash basis or transaction basis.

For insurance companies, credit institutions and all other companies which do not submit full model annual accounts drawn up for companies or associations, the corresponding data must be included in the table or, if correspondence is not possible, in a separate PDF file appended to section C1 'Other documents'.

Related cross-border goods transactions per business unit during the current taxable period (B3)

The various goods transactions included in the columns correspond to the definitions included in the Belgian accounting legislation.

Country codes non-resident: you must indicate all country codes together.

Applied method for determining transfer prices: you must choose at least one of the five methods (e.g. CUP, Costplus, Resale Minus, Profit Split or TNMM).

Related cross-border service provision transactions per business unit during the current taxable period (B4)

The various service provision transactions included in the columns correspond to the definitions included in the Belgian accounting legislation.

Country codes non-resident: you must indicate all country codes together.

Applied method for determining transfer prices: you must choose at least one of the five methods (e.g. CUP, Costplus, Resale Minus, Profit Split or TNMM).

Related cross-border financial transactions per business unit during the current taxable period (B5)

The various financial transactions included in the columns correspond to the definitions included in the Belgian accounting legislation.

Country codes non-resident: you must indicate all country codes together.

Applied method for determining transfer prices: you must choose at least one of the five methods (e.g. CUP, Costplus, Resale Minus, Profit Split or TNMM).

Other related cross-border transactions per business unit during the current taxable period (B6)

Other transactions include those which do not correspond with one of the transactions indicated above or those which you cannot identify separately.

Country codes non-resident: you must indicate all country codes together.

Applied method for determining transfer prices: you must choose at least one of the five methods (e.g. CUP, Costplus, Resale Minus, Profit Split or TNMM).

Transfer price methodology and studies per business unit and per nature of transaction (B10)

For a further description of the transfer price methodology and studies, it is useful to refer to the requirements included in the local file as drawn up by the OECD in the BEPS action plan 13 (see Appendix II - Chapter V).

Framework agreement or model contract refers to the specific inter-company contracts concluded in the context of determining the transfer prices. For example, this can be a distribution agreement or a tolling contract. It therefore does not refer to contracts concluded over individual transactions, but concerns overarching agreements.

Other documents (C1)

The third section of the form allows companies to provide certain details under the form of a PDF document. In particular, this concerns documents the company concerned considers to be potentially useful for a better interpretation of their local file. Please note: this is simply an optional box which is made available to companies for the purpose of allowing them to add certain documents which they consider useful for a better interpretation of the information they have already provided in the previous two sections of the local file transfer pricing.

For example, useful documents can be: transfer price methodology, framework agreements, transfer price studies, management or organisation structures, etc.

The criteria below for PDF files are intended to avoid discussion regarding the content of the files.

Reference	Authorised	Refused
Colours	X	
Conventional signature	X	
Electronic signature		X
“Electronic threads”	X	
Hyperlinks	X	
Bookmarks	X	
Optional Content Groups (OCGs) or Layers (multiple layers which are only visible on request)		X
Remarks or tags		X
Audio/Video material		X
Appended files		X
Security/password (opening, printing or modification of the content)		X
Compressed files (the compression of a PDF file following a scan provides little gain in terms of volume)		X
Files created with other software and for which the extension was modified to .pdf		X
PDF files in another format than DINA4 or US Letter		X
Java scripts		X

Formalities to be accomplished

The company must add this form to its tax return in the CIT or NRT/comp., depending on the case, (tab 275 LF in the electronic tax return BIZTAX).

Implementation

The first (general company information - A1 until A8) and third sections (other documents - C1) of this form are applicable from 01.01.2016 while the second section (detailed information document per business unit – B1 until B12) is only applicable from 01.01.2017.