



SHARING AND GIG ECONOMY

10th IMF-Japan High-Level Tax Conference for Asian Countries

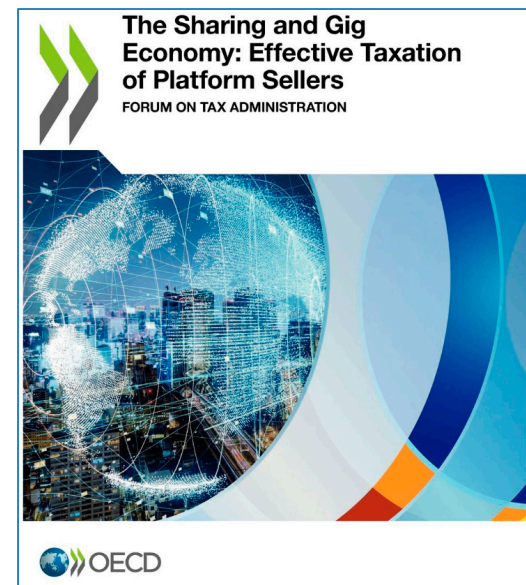
Tokyo
25-26 April 2019

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Head of the International Cooperation Unit
OECD



FTA work to assess the need for action

- September 2017: FTA agreed to initiate project to help ensure the effective taxation of individuals selling products and services through peer-to-peer platforms (the sharing and gig economy)
- December 2017: Project launch
 - Co-sponsored by Italy and the United Kingdom
 - More than 20 FTA members actively participated in the work
- March 2019: FTA Report issued





Platforms in the sharing and gig economy

Accommodation/Home

airbnb FLIPKEY[®] by @tripadvisor

HomeAway tripping

couchsurfing

couchsurfing San Francisco Couchsurfing Cusco couchsurfing Paris

Car/Ride

GOJEK

lyft

UBER

滴滴 滴滴一下 美好出行

BlaBlaCar

Safe Motos SafeBoda

Labour

Upwork[™] TaskRunner

TaskRabbit

hopwork myTaskAngel

Food/Meal

deliveroo JUST EAT

EAT WITH ME

ShareYourMeal

LeftoverSwap

casserole CASSEROLECLUB.COM

Others...

Quirky Let's invent together

GRABCAD

ebay amazon

craigslist

Financing/Lending

LendingClub

Funding Circle Lendico

kiva ZOPA



Why the focus on sharing and gig economy “sellers”?

Rapid growth

Income out of
scope of
traditional third
party reporting

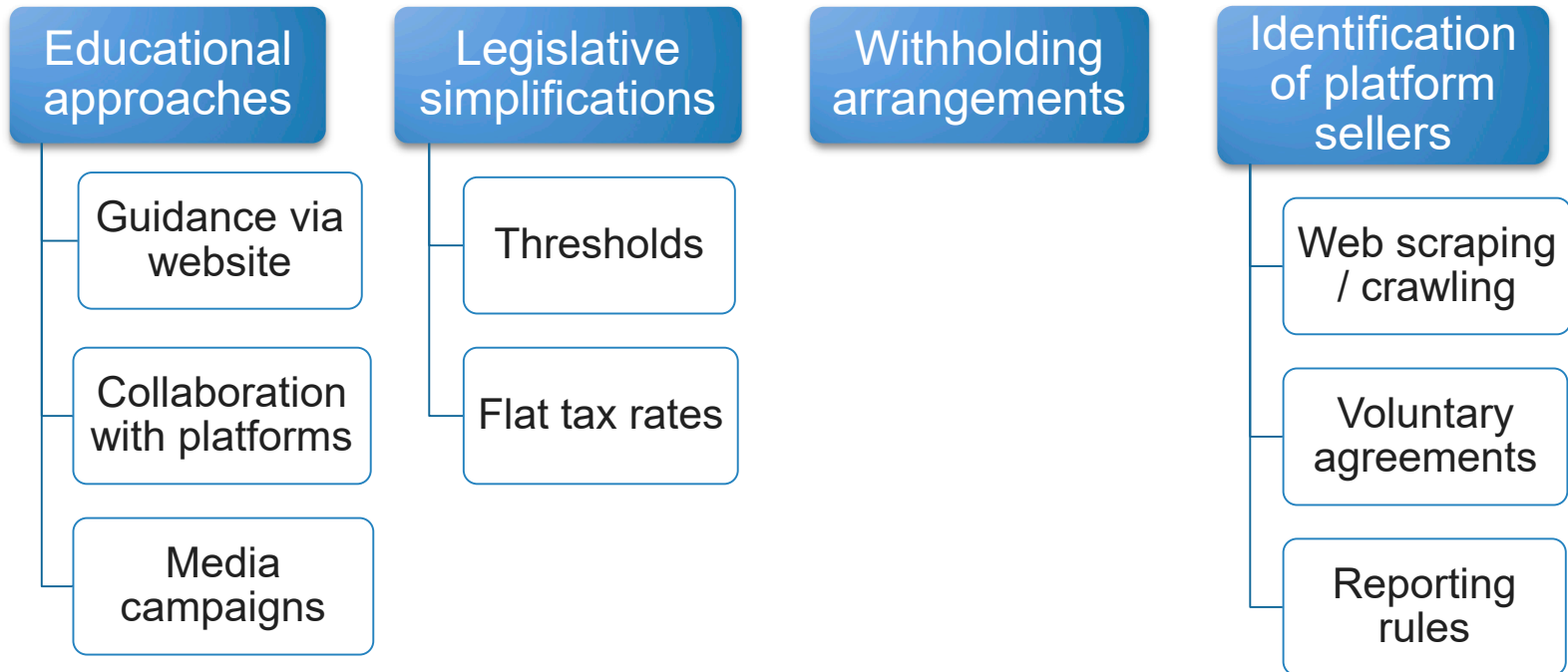
Informal
economy links

Lack of
understanding of
tax obligations

Competition and
tax and revenue
concerns



Current approaches and limitations





Rationale for multilateral cooperation in this area

1

Effective taxation of individual platform sellers is a concern for many tax administrations

2

Many platforms operate across borders without physical presence in each market

3

Standardised reporting & due diligence requirements could help reduce burdens



FTA recommendation

- Develop model reporting rules to standardise requirements across jurisdictions and help avoid proliferation of different reporting requirements; and
- Develop exchange framework to facilitate automatic exchange of information with jurisdiction of residence of platform sellers.





Work on Model Rules

Objectives and driving factors

- Fostering compliance by ensuring tax administrations get timely access to high-quality information on potentially taxable income earned by platform sellers
 - Focus on making compliance easier for platform sellers (pre-filling of tax returns where possible)
 - Direct and indirect taxes (and possibly also local taxes and social security contributions)
- Limit compliance burdens
 - Standardisation of reporting and due diligence requirements
 - Principles of necessity, adequacy and proportionality
- Ensure level playing field
 - No discrimination based on location, business model, domestic/cross-border reach
 - Level playing field with traditional businesses



Work on Model Rules

State of play

- Discussion on the design and features of Model Rules in WP10 in March 2019
- Development of Model Rules, commentary and framework for international exchanges over Summer and Fall 2019
- Close ongoing consultation with the digital platforms