

**Inclusive Framework on BEPS: Action 14
Making Dispute Resolution More Effective
MAP Peer Review Report**

BEST PRACTICES

Lithuania

2019



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Making Dispute Resolution More Effective
MAP Peer Review report

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Please cite this publication as:

OECD (2019), *BEPS Action 14 MAP Peer Review Report: Best Practices – Lithuania (2019)*, *OECD/G20 Inclusive Framework on BEPS*, OECD, Paris.

www.oecd.org/tax/beps/beps-action-14-peer-review-best-practices-lithuania-2019.pdf

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Abbreviations and Acronyms

APA	Advance Pricing Arrangement
FTA	Forum on Tax Administration
MAP	Mutual Agreement Procedure
OECD	Organisation for Economic Co-operation and Development

Introduction

The final report on BEPS Action 14: “Making Dispute Resolution Mechanisms More Effective” identified a number of best practices related to the three general objectives of the Action 14 Minimum Standard.

Paragraph 9 of the Terms of Reference to monitor and review the implementing of the BEPS Action 14 Minimum Standard to make dispute resolution mechanisms more effective¹ stipulates that:

The best practices are not part of the minimum standard and whether or not a jurisdiction has implemented the best practices will not be peer reviewed or monitored, nor will it affect the assessment of the assessed jurisdiction. Jurisdictions are free, however, to identify best practices they have adopted.

Lithuania has provided information and requested feedback by peers on how it has adopted best practices. In that regard, the FTA MAP Forum agreed on an optional best practices feedback form that peers have used to provide feedback on Lithuania’s adoption of the best practices.

This document contains a general overview of the adoption of best practices and comments by peers on the adoption of these best practices.

¹ Terms of reference to monitor and review the implementing of the BEPS Action 14 Minimum Standard to make dispute resolution mechanisms more effective (CTPA/CFA/NOE2(2016)45/REV1).

Part A

PREVENTING DISPUTES

[BP1.] Implement bilateral APA programmes

Jurisdictions should implement bilateral APA programmes.

1. APAs concluded bilaterally between competent authorities provide an increased level of certainty in both jurisdictions, lessen the likelihood of double taxation and may proactively prevent transfer pricing disputes.
2. Lithuania reported it has implemented an APA programme since January 2012 under which it is allowed to enter into unilateral, bilateral and multilateral APAs. The legal basis of its APA programme is provided for in Article 37¹ of Lithuania's Law on Tax Administration, which grants taxpayers the right to request approval to apply the provisions of the tax legislation to future transactions.²
3. Lithuania does not charge any fees to apply for APAs. The APA request may relate to one or several future transactions and it is up to the taxpayer to choose the scope of the APA. Article 37¹(2) of the Law on Tax Administration further defines that a decision to accept an APA request shall be made within 60 days, or where additional research is necessary, within 120 days. Furthermore, the decision may also be extended where additional information has been requested by the tax administration. The decision either is that the application will be approved (and that the process for granting the APA is set in motion) or rejected. In both instances, the taxpayer shall be notified at the earliest convenience after the decision was taken (usually within 5 working days), whereby in case of a rejection a reason should be given. APAs can be granted for a maximum period of five years as from the next year following the year in which the APA was requested.
4. Further to the above, Article 37¹(8) of Lithuania's Law on Tax Administration delegates competence to the tax administration to issue rules for the procedure of submitting and examining an APA request, the form of the request and the process for analysing the request and granting of an APA. These rules are laid down in a specific order, which will be further discussed under element BP.3 below.
5. Lithuania further reported that it has not yet concluded any bilateral APAs although there are two requests currently under consideration.
6. Peers did not provide input relating to this particular best practice.

² Available at:

http://www.vmi.lt/cms/documents/10162/7977078/LAW+ON+TAX+ADMINISTRATION_EN.pdf/f03d7a66-1439-4f44-926c-b74733328574

[BP.2] Publish mutual agreements of a general nature

Jurisdictions should have appropriate procedures in place to publish agreements reached by competent authorities on difficulties or doubts arising as to the interpretation or application of their tax treaties in appropriate cases.

7. Agreements reached by competent authorities to resolve difficulties or doubts arising as to the interpretation or application of their tax treaties in relation to issues of a general nature which concern, or may concern, a category of taxpayers reflect the competent authorities' mutual understanding of the meaning of the convention and its terms. As such agreements provide information that might be useful to prevent difficulties or doubts in the interpretation or application of tax treaty provisions, publication of these agreements is valuable.

8. Lithuania reported that there is no specific law or regulation governing the publishing of mutual agreements of a general nature. However, all MAP agreements entered into under Article 25(3), first sentence, of the OECD Model Tax Convention regarding difficulties or doubts or the interpretation or application of the provisions of the tax treaty would be published if the competent authorities concerned agreed to do so and if there are no other additional requirements for the process. So far such agreement, however, have not been reached.

9. Furthermore, paragraph 60 of Lithuania's MAP guidance determines that competent authorities may agree to publish information of a mutual agreement in a specific case if for such publication consent is given by all taxpayers concerned, such to ensure compliance with confidentiality rules. This paragraph further states that the competent authorities shall align the to-be published text with the taxpayer, who is required to submit its position within 60 days of the receipt of request for such textual alignment. If the taxpayer does not agree with such publication then the MAP agreement will not be published.

10. Lithuania further reported that if some important issues have been raised during the course of a MAP, then separate general explanations may be included in its Consulting Material Catalogue Database platform.³ Lithuania explained that this platform contains explanations and comments on various taxes and related subjects in the form of Q&As, as well as links to relevant laws, and which is accessible for taxpayers.

11. Peers did not provide input relating to this particular best practice.

[BP.3] Provide guidance on APAs

Jurisdictions' published MAP guidance should provide guidance on APAs.

12. Guidance on a jurisdiction's APA programme facilitates the use of that programme and creates awareness for taxpayers on how the APA process functions. As APAs may also prevent future disputes from arising, including information on APAs in a jurisdiction's MAP guidance is relevant.

³ Available at: <http://www.vmi.lt/cms/web/kmdb>

13. Lithuania has published guidance specifically related to APAs, which are included in the Rules for the Submission of the Taxpayer's Request to Approve the Principles of Pricing of a Future Controlled Transaction, Examination of the Request, The Adoption and Amendment of the Tax Administrator Binding Decision" ("APA Guidance"), which was issued on 21 October 2011.⁴ This APA guidance contains extensive information on Lithuania's APA programme, which is organised into six different chapters: (i) general provisions (ii) how a taxpayer can submit an APA request and what exactly should be included in such a request (iii) the examination of the request (iv) taking a decision on the acceptance of the request (v) the validity and length of time of APAs and (vi) final provisions.

14. In particular, Lithuania's APA guidance states that once a bilateral APA request by a taxpayer is submitted, the provisions contained in such APA guidance shall apply to the extent that they do not contradict the rules of tax treaties Lithuania has entered into. Furthermore, this guidance explains the procedure for issuing bilateral APAs according to Lithuania's domestic law provisions, which in essence is a further elaboration of Article 37¹ of the Law on Tax Administration that was discussed under element BP.1. Lithuania's APA guidance also describes when an APA request could be suspended, and when such a request would be resumed. If additional documents are necessary to process the APA request, Lithuania reported that taxpayers must submit such information within 20 calendar days before the deadline for the request to be examined.

15. Lastly, section 39 of the APA guidance determines that a permanent working group that is formed by an order of the head of the State Tax Inspectorate under the Ministry of Finance is responsible for handling APA requests. In handling such request, this group will take into account tax laws, international treaties, principle of justice and reasonableness, equality between taxpayers, non-discrimination and independence.

16. Peers did not provide input relating to this particular best practice.

[BP.4] Develop "global awareness" of the audit/examination functions

Jurisdictions should develop the "global awareness" of the audit/examination functions involved in international matters through the delivery of the Forum on Tax Administration's "Global Awareness Training Module" to appropriate personnel.

17. Making audit/examination function of tax administrations that are involved in international matters aware of: (i) the potential for creating double taxation, (ii) the impact of a proposed adjustment on the tax base of one or more jurisdictions and (iii) the process and principles by which competing juridical claims are reconciled by competent authorities, may be useful to prevent disputes from arising. Using the Global Awareness Training Module developed by the Forum on Tax Administration (FTA) can be helpful in this respect.

18. Lithuania reported that it conducts internal trainings and sends its staff to attend trainings organised by international institutions such as the OECD, the Intra-European Organisation of Tax Administration and FISCALIS. Lithuania further reported that it conducts trainings to help increase awareness among its officials about OECD and EU initiatives regarding the BEPS package once or twice per year, depending on the need for

⁴ Available at: <http://www.vmi.lt/cms/documents/10162/9177010/APA+rules.pdf/5d7e8386-fb12-4661-bbcc-5a6c0477e629>

such trainings. Lithuania further reported that it assesses the need for more targeted trainings regarding specific aspects of taxation at the beginning of every year by asking employees to fill out a questionnaire where they mark which trainings are of interest to them. Lithuania noted that employees could inform particular divisions of the STI about the need for additional trainings that may be useful to them and, depending on available funding and lecturers, such trainings may be organised as requested.

19. Further to the above, Lithuania also explained that its tax officials undergo trainings once or twice per year by experts on the application of Lithuania's tax treaties. In that regard, Lithuania mentioned that where necessary, it also conducts a one-time training for new tax auditors regarding issues relating to different fields of taxation and accountancy, including transfer pricing.

20. Peers did not provide input relating to this particular best practice.

Part B

AVAILABILITY AND ACCESS TO MAP

[BP.5] Implement appropriate administrative measures to facilitate recourse to MAP

Jurisdictions should implement appropriate administrative measures to facilitate recourse to the MAP to resolve treaty-related disputes, recognising the general principle that the choice of remedies should remain with the taxpayer.

21. Under Article 25(1) of the OECD Model Tax Convention, the mutual agreement procedure is a dispute settlement procedure in annex to domestic available remedies and not a substitute for such remedies. Reference is made to inter alia paragraph 7 of the Commentary to Article 25 of the OECD Model Tax Convention, which specifies that the right to submit a MAP request is available to taxpayers *without depriving them of the ordinary legal remedies available*. Facilitating recourse to the MAP through appropriate administrative measures, under the general principle that the choice of remedies remains with taxpayers, enables them to effectively resort to such dispute settlement procedure.

22. Lithuania reported that taxpayers are allowed to request MAP assistance while also seeking to resolve the same dispute via domestically available judicial and administrative remedies, whereby the initiation of the latter is not a prerequisite for submitting a MAP request. Such requests can be made regardless of whether the issue under dispute has already been decided via these judicial and administrative remedies. In both situations, access to MAP would be granted. Furthermore, even if a taxpayer has initiated administrative proceedings, which are considered to be pre-trial proceedings, and also submitted a MAP request regarding the same matter, then in Lithuania any pre-trial proceedings would be suspended until the MAP process is finalised. This rule is laid down in Article 156 (2) of the Law on Tax Administration, which both applies to MAP cases under tax treaties as under the EU Arbitration Convention.

23. Where, however, a tax dispute was already the subject of a court proceeding then the suspension or postponement of the case would depend on the discretion of the courts. Lithuania noted that the courts would most likely also suspend the trial proceedings, which would ultimately depend on the outcome of MAP, but also that courts could decide on the case itself in situations where the examination of the case is delayed.

24. Lithuania further reported that it is not allowed to derogate from decisions issued by a judicial body and that its competent authority might only proceed with a MAP within the limits prescribed by the relevant judicial decision. This practice might, as noted by Lithuania, also lead to the court adopting the final judgement regarding the same subject of the dispute that was resolved through MAP. Lithuania noted that in the latter case, if the content of the agreement reached during a MAP is in conflict with such judgment then the MAP agreement would be deemed to be invalid.

25. Peers did not provide input relating to this particular best practice.

[BP.6] Provide access to MAP for bona fide taxpayer-initiated foreign adjustments

Jurisdictions' published MAP guidance should provide that taxpayers will be allowed access to the MAP so that the competent authorities may resolve through consultation the double taxation that can arise in the case of bona fide taxpayer-initiated foreign adjustments.

26. A taxpayer-initiated foreign adjustment is considered bona fide where it reflects the good faith effort of the taxpayer to report correctly, timely and properly the adjusted taxable income from a controlled transaction or the profits attributable to a permanent establishment with a view to reflect an arm's length result, and where the taxpayer has otherwise timely and properly fulfilled all of its obligations related to such taxable income or profits under the laws of the treaty partners. As such taxpayer-initiated foreign adjustments may lead to cases of double taxation, it is relevant that there is access to MAP for resolving these cases. Furthermore, specifying whether there is access to the MAP for these adjustments in a jurisdiction's MAP guidance also provides additional clarity.

27. Paragraph 7.6 of Lithuania's MAP guidance explicitly stipulates that taxpayers have access to MAP in cases of bona fide taxpayer-initiated adjustments. This is the case when such adjustments are allowed under the law of the treaty partner in order to correctly apply the arm's length principle. Paragraph 7.6 further notes that Lithuania's competent authority will assess a taxpayer's MAP request for such adjustments only when he submits supporting evidence for its adjustments and that a determination will only be made if the taxpayer has been fulfilling tax liabilities both in Lithuania and at the level of the treaty partner.

28. Peers did not provide input relating to this particular best practice.

[BP.7] Provide guidance on multilateral MAPs

Jurisdictions' published MAP guidance should provide guidance on multilateral MAPs.

29. In recent years, globalisation has created unique challenges for existing tax treaty dispute resolution mechanisms. Whilst the mutual agreement procedure provided for in Article 25 of the OECD Model Tax Convention has traditionally focused on the resolution of bilateral disputes, phenomena such as the adoption of regional and global value chains as well as the accelerated integration of national economies and markets have emphasised the need for effective mechanisms to resolve multi-jurisdictional tax disputes. In that regard, it is for clarity purposes relevant that jurisdiction's MAP guidance includes information on availability of and access to multilateral MAPs.

30. Lithuania reported that although it does not have any practical experience with handling multilateral MAP cases, it is supportive of the possibility to pursue a multilateral process with other competent authorities. Paragraph 4.3 in conjunction with paragraph 32 of Lithuania's MAP guidance notes that if a case concerns several MAP requests and the involvement of several competent authorities, then multilateral meetings of competent

authorities may be conducted, both in agreement and in compliance with the restrictions set forth in international tax treaties.

31. Peers did not provide input relating to this particular best practice.

[BP.8] Provide for suspension of collection procedures for pending MAP cases

Jurisdictions should take appropriate measures to provide for a suspension of collections procedures during the period a MAP case is pending. Such a suspension of collections should be available, at a minimum, under the same conditions as apply to a person pursuing a domestic administrative or judicial remedy.

32. If, following an adjustment taxpayers immediately have to pay the tax due, whereas the same amount was already paid to the tax administration of the other jurisdiction involved, double taxation will in fact occur. As taxpayers may then face significant cash-flow issues, at least for the period the MAP case is pending, it is relevant that jurisdictions provide for suspension of collection procedure for this period under at least the same conditions as available for domestic remedies.

33. Lithuania reported that it allows the suspension of tax collection procedures during the period a MAP case is pending. In this respect, Article 110 of Lithuania's Law on Tax Administration, which deals with the suspension of tax collection under domestic law, would also apply for MAP cases. In cases where a MAP request was received with respect to a case for which an ongoing national tax dispute is pending, then the suspension would already have been automatically granted and there would thus be no need for any additional suspension actions in such cases. If no such national tax dispute exists, for example in cases where a taxpayer does not appeal against a decision of the tax administration, then the collection of tax is suspended upon receipt of the MAP request due to such request.

34. Specifically with respect to the EU Arbitration Convention, Lithuania specified in Annex 3 of the final report on improving the functioning of the Arbitration Convention that a suspension of tax collection is available for domestic and cross-border situations.⁵

35. Peers did not provide input relating to this particular best practice.

⁵ See EU Joint Transfer Pricing Forum, *Final Report on improving the functioning of the Arbitration Convention (JTPF/002/2015/EN)*, March 2015. Available at:

http://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/taxation/company_tax/transfer_pricing/forum/final_report_ac_jtpf_002_2015_en_final_clean.pdf.

Part C

RESOLUTION OF MAP CASES

[BP.9] Permit taxpayers to request multi-year resolution of recurring issues through the MAP

Jurisdictions should implement appropriate procedures to permit, in certain cases and after an initial tax assessment, requests made by taxpayer which are within the time period provided for in the tax treaty for the multi-year resolution through the MAP of recurring issues with respect to filed tax years, where the relevant facts and circumstances are the same and subject to the verification of such facts and circumstances on audit.

36. In certain cases, a MAP request with respect to a specific adjustment to income may present recurring issues that may be relevant in previous or subsequent tax years. Allowing taxpayers to submit requests for the multi-year resolution through MAP with respect to such recurring issues, where the relevant facts and circumstances are the same, may help avoid duplicative MAP requests and facilitate a more efficient use of competent authority resources.

37. Lithuania's MAP guidance does not contain any specific information on the availability of the multi-year resolution of recurring issues through MAP. In this respect, Lithuania reported that it allows taxpayers to make request for such multi-year resolution of cases. In such a situation, its competent authority might then undertake certain actions to ensure that facts and circumstances remained the same.

38. Peers did not provide input relating to this particular best practice.

[BP.10] Publish explanation of the relationship between the MAP and domestic remedies

Jurisdictions should publish an explanation of the relationship between the MAP and domestic law administrative and judicial remedies.

39. As mentioned under BP.5, pursuant to Article 25(1) of the OECD Model Tax Convention taxpayers are allowed to submit a MAP request irrespective of available domestic remedies. This, however, does not further specify how to proceed if both available remedies are initiated and the case is dealt with in the bilateral phase of the MAP. Publicly available guidance on the relationship between the MAP and domestic remedies provides clarity to taxpayers as well as treaty partners.

40. Paragraph 8 and 41-43 of Lithuania's MAP guidance addresses the relationship between MAP and domestic law administrative and judicial remedies, which follows the description set forth in element BP.5. Paragraph 41 of Lithuania's MAP guidance stipulates

that Lithuania prefers the execution of a MAP case over domestic remedies to solve cases of taxation not in accordance with the provisions of the underlying tax treaty. To this end, if a taxpayer submits a MAP request, domestic remedies are put in abeyance if they are still in the pre-trial phase. Where a case is already dealt with in a court procedure, it is up to the discretion of the court to suspend proceedings until the MAP process has been finalised. Furthermore, paragraphs 50-51 of the MAP guidance detail the implementation process of MAP agreements where court cases are still pending, or where a court takes a decision after a MAP agreement has been reached.

41. Peers did not provide input relating to this particular best practice.

[BP.11] Provide guidance on consideration of interest and penalties in MAP

Jurisdictions' published MAP guidance should provide guidance on the consideration of interest and penalties in the mutual agreement procedure.

42. As interests and penalties may concern substantial amounts, providing clarity in a jurisdiction's MAP guidance on whether interest and penalties are in the scope of the MAP is relevant to ensure that a taxpayer is well-informed on this issue.

43. Paragraph 4.3 of Lithuania's MAP guidance contains information on the consideration of interest and penalties with regard to MAP. It is here stated that penalties relating to the case under review are not being considered in MAP. Interest charges could be taken into account, but only in case where a taxpayer approaches the competent authority regarding this issue and the two competent authorities both agree to deal with it during their MAP negotiations. Lithuania further reported that where a MAP agreement results in a reduction of the taxable base in Lithuania, then interest and penalties would be reduced in proportion to any adjustments resulting from a MAP agreement.

44. Where interest charges are not being dealt with in MAP, paragraph 59 of the MAP guidance stipulates that these charges are governed by the general procedure set forth in Lithuania's Law on Tax Administration. Furthermore, Lithuania reported that taxpayers can be exempt from late payment of interest when certain grounds for exemption are established according to provisions of Article 100 (in conjunction with Article 141) of Law on Tax Administration.

45. Peers did not provide input relating to this particular best practice.

[BP.12] Include Article 9(2) of the OECD Model Tax Convention in tax treaties

Jurisdictions should include paragraph 2 of Article 9 of the OECD Model Tax Convention in their tax treaties.

46. Article 9(2) of the OECD Model Tax Convention allows competent authorities to make a corresponding adjustment to unilaterally eliminate double taxation arising from primary adjustments. Including this provision in tax treaties provides taxpayers the possibility to obtain the elimination of such double taxation via a unilateral corresponding adjustment.

47. As mentioned under element B.3, out of Lithuania's 56 tax treaties, 45 contain a provision equivalent to Article 9(2) of the OECD Model Tax Convention requiring their competent authorities to make a correlative adjustment in case a transfer pricing adjustment is made by the treaty partner. Furthermore, three treaties do not contain a provision that is based on or equivalent to Article 9(2).

48. The remaining eight treaties contain a provision that is based on Article 9(2) of the OECD Model Tax Convention, but deviate from this provision for the following reasons:

- In six of the eight treaties, the granting of a corresponding adjustment is only optional as the word "shall" is replaced by "may"
- In two treaties, the requirement to grant a corresponding adjustment is not included nor is the last sentence of Article 9(2) of the OECD Model Tax Convention included. This sentence is replaced by wording that stipulates that the competent authority may consult together with a view to reach an agreement on the adjustment of profits.

49. Lithuania reported that it is in favour of including Article 9(2) of the OECD Model Tax Convention in its tax treaties where possible and that it will seek to include this provision in all of its future tax treaties.

50. In this respect, Lithuania signed the Multilateral Instrument and deposited its instrument of ratification on 11 September 2018. The Multilateral Instrument entered into force on 1 January 2019 for Lithuania.

51. Article 17(2) of that instrument stipulates that Article 17(1) – containing the equivalent of Article 9(2) of the OECD Model Tax Convention – will apply in place of or in the absence of a provision in tax treaties that is equivalent to Article 9(2) of the OECD Model Tax Convention. However, this shall only apply if both contracting parties to the applicable tax treaty have listed this treaty as a covered tax agreement under the Multilateral Instrument. Article 17(2) of the Multilateral Instrument does for a tax treaty not take effect if one or both of the treaty partners to the tax treaty have, pursuant to Article 17(3), reserved the right not to apply Article 17(2) for those tax treaties that already contain the equivalent of Article 9(2) of the OECD Model Tax Convention, or not to apply Article 17(2) in the absence of such equivalent under the condition that: (i) it shall make appropriate corresponding adjustments or (ii) its competent authority shall endeavour to resolve the case under mutual agreement procedure of the applicable tax treaty. Where neither treaty partner has made such a reservation, Article 17(4) of the Multilateral Instrument stipulates that both have to make a notification whether the applicable treaty already contains a provision equivalent to Article 9(2) of the OECD Model Tax Convention. Where such a notification is made by both of them, the Multilateral Instrument will modify this treaty to replace that provision. If neither or only one treaty partner made this notification, Article 17(1) of the Multilateral Instrument will supersede this treaty only to the extent that the provision contained in that treaty relating to the granting of corresponding adjustments is incompatible with Article 17(1) (containing the equivalent of Article 9(2) of the OECD Model Tax Convention).

52. Lithuania has not reserved, pursuant to Article 17(3), the right not to apply Article 17(2) of the Multilateral Instrument for those treaties that already contain a provision equivalent to Article 9(2) of the OECD Model Tax Convention. In regard of the 11 tax treaties that are considered not to contain a provision that is equivalent to Article 9(2) of the OECD Model Tax Convention, Lithuania listed all 11 as a covered tax agreement under

the Multilateral Instrument and for nine of these 11 treaties did it make a notification on the basis of Article 17(4) that they do not contain a provision described in Article 17(2).

53. With regard to those nine treaties, two treaty partners are not a signatory to the Multilateral Instrument, whereas two have, on the basis of Article 17(3), reserved the right not to apply Article 17(2) as they considered that their treaty with Lithuania already contains the equivalent of Article 9(2), and two also made a notification on the basis of Article 17(4). The remaining three treaty partner(s) did not make such a notification. Therefore, at this stage, two of the 11 treaties identified above will be replaced by the Multilateral Instrument upon its entry into force for these treaties to include the equivalent of Article 9(2) of the OECD Model Tax Convention and three will be superseded to the extent that the provisions contained in those treaties relating to the granting of corresponding adjustments are incompatible with Article 17(1). With respect to these treaties, one treaty partner has already deposited its instrument of ratification and therefore this treaty will be superseded in the case of incompatibility.

54. With regard to the remaining two treaties for which Lithuania did not make a notification on the basis of Article 17(4), both treaty partners are a signatory to the Multilateral Instrument and listed their tax treaty with Lithuania as a covered tax agreement under that instrument. One of these two treaty partners reserved, on the basis of Article 17(3), the right not to apply Article 17(2) as they considered that its treaty with Lithuania already contains the equivalent of Article 9(2). The other treaty partner did not make such a reservation, nor a notification on the basis of Article 17(4). Therefore, at this stage one of the two treaties treaty will be superseded by the Multilateral Instrument to include the equivalent of Article 9(2) of the OECD Model Tax Convention, but only to the extent that the provisions contained in this treaty relating to the granting of corresponding adjustments is incompatible with Article 17(1).

55. Peers did not provide input relating to this particular best practice.

Part D

IMPLEMENTATION OF MAP AGREEMENTS

56. There are no best practices for Part D.

Glossary

Action 14 Minimum Standard	The minimum standard as agreed upon in the final report on Action 14: Making Dispute Settlement Mechanisms More Effective
APA	Advance Pricing Arrangement
APA Guidance	The Rules for the Submission of the Taxpayer’s Request to Approve the Principles of Pricing of a Future Controlled Transaction, Examination of the Request, The Adoption and Amendment of the Tax Administrator Binding Decision
Look-back period	Period starting from 1 January 2015 for which the Assessed jurisdiction wished to provide information and requested peer input
MAP	Mutual Agreement Procedure
MAP Guidance	The Rules for the Initiation and Execution of the Mutual Agreement Procedure
Multilateral Instrument	Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting
OECD	Organisation for Economic Co-operation and Development
OECD Model Tax Convention	OECD Model Tax Convention on Income and on Capital as it read on 15 July 2014
Terms of Reference	Terms of reference to monitor and review the implementing of the BEPS Action 14 Minimum Standard to make dispute resolution mechanisms more effective (CTPA/CFA/NOE2(2016)45/REV1)



BETTER POLICIES FOR BETTER LIVES

For more information:

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 <http://oe.cd/bepsaction14>

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