

Pillar 2 Technical Series

Computation of Adjusted Covered Taxes

Pillar Two Technical Series

Catch up on our previous sessions!

1. Overview & Transition Years – [Watch now](#)

- In this webinar, we provide a broad overview of Pillar Two. In addition, we'll discuss transitional safe harbors and what makes a Qualified Domestic Minimum Top-Up Tax (QDMTT) "Qualified." Our knowledgeable professionals will share insightful commentary on how these rules are impacting multinational enterprises.

2. MNE Group Determination – [Watch now](#)

- In this webinar, we delve into the intricacies of multinational enterprise (MNE) group determination and explore the challenges posed by complex organizational structures. Our knowledgeable professionals will provide a practical discussion on the basics of MNE group determination and explore issues and complexities companies face as they navigate this topic.

3. Complex MNE Groups – [Watch now](#)

- In this webinar, we discuss computations for non-material constituent entities (NMCEs), joint venture (JV) groups, and the intricacies of GloBE considerations. Gain valuable insights and practical knowledge to navigate these advanced topics effectively.

4. Tax Accounting Overview & Impact – [Watch now](#)

- In this webinar, we provide a detailed overview of general tax accounting principles and delve into the significant impacts of Pillar Two. Our knowledgeable professionals will share key concepts and practical implications, helping you stay ahead in the evolving tax and financial reporting landscape.

5. Computation of GloBE Adjustments – [Watch now](#)

- In this in-depth webinar, we explore the computation of Global Anti-Base Erosion (GloBE) adjustments. Our knowledgeable professionals will discuss the various adjustments required to determine GloBE income and provide practical insights into how they may impact your organization.

Agenda

1. Overview
2. Covered Tax Expense
3. Additions/Reductions to Covered Tax Expense
4. Total Deferred Tax Adjustment
5. Increases/Decreases for OCI/Equity Items



Meet Today's Presenters



Justin Metcalfe

Director

Forvis Mazars US

justin.metcalfe@us.forvismazars.com



Kira Miles

Director

Forvis Mazars US

kira.miles@us.forvismazars.com



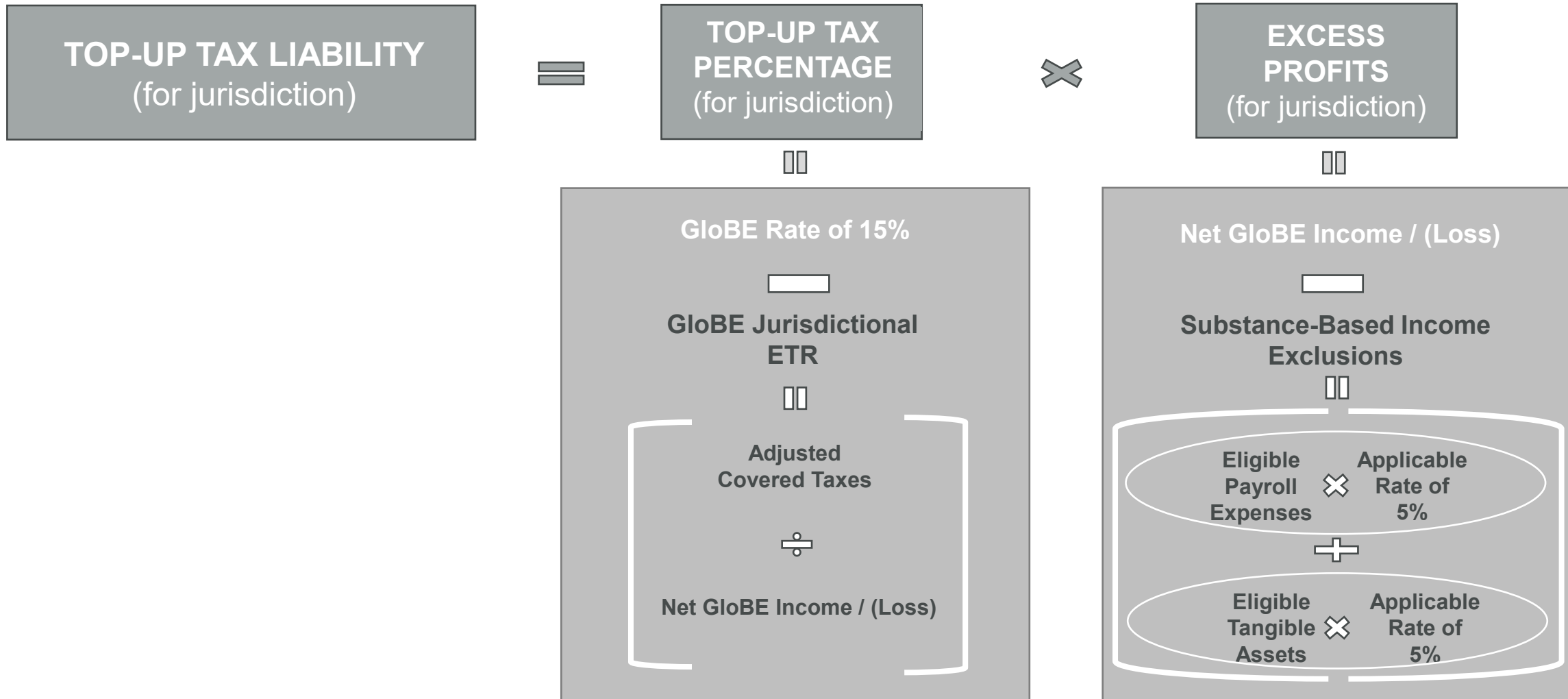
Florian Mengele

Partner

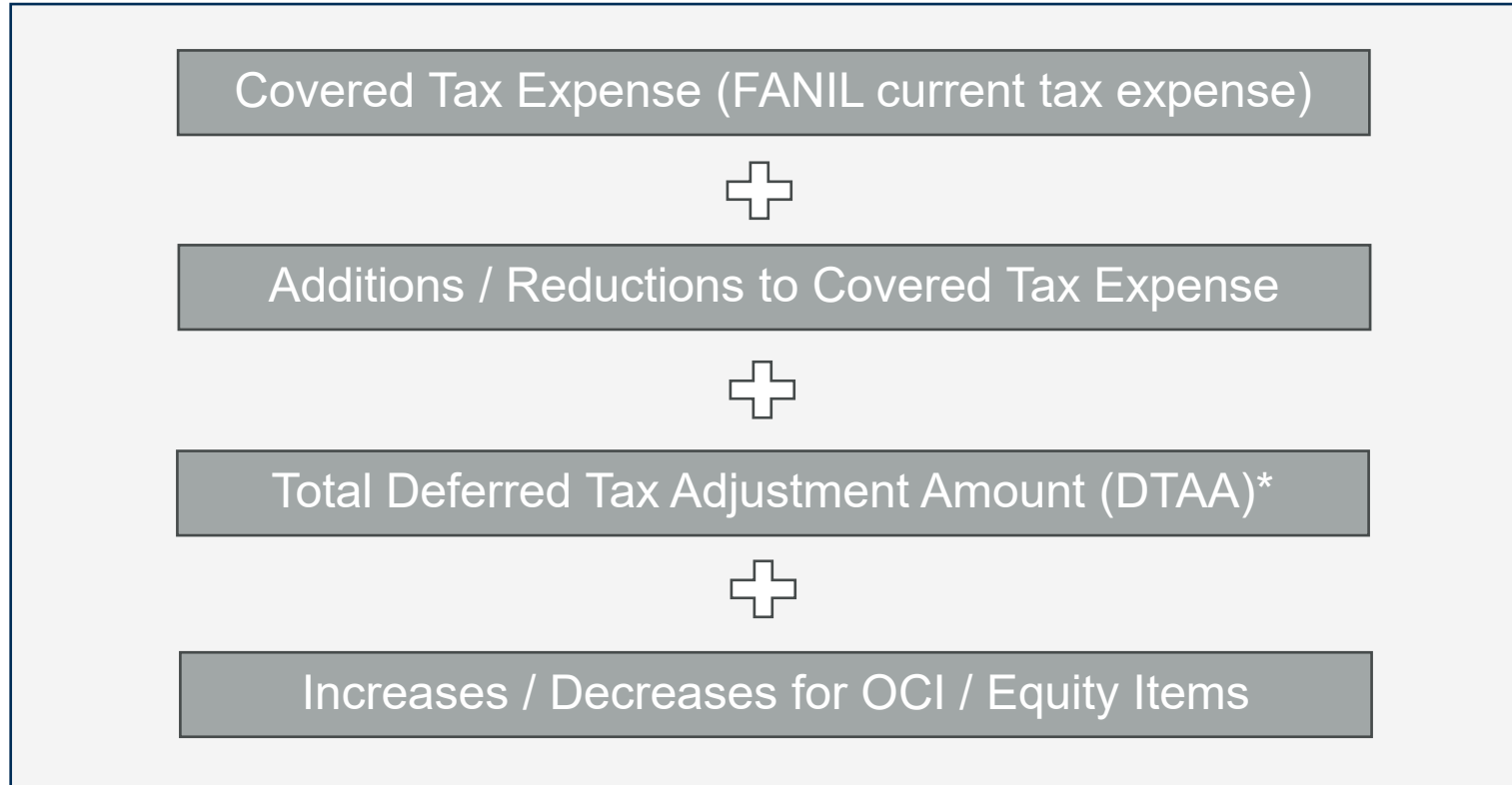
Forvis Mazars Germany

florian.mengele@mazars.de

Computation of the Top-Up Tax – Overview



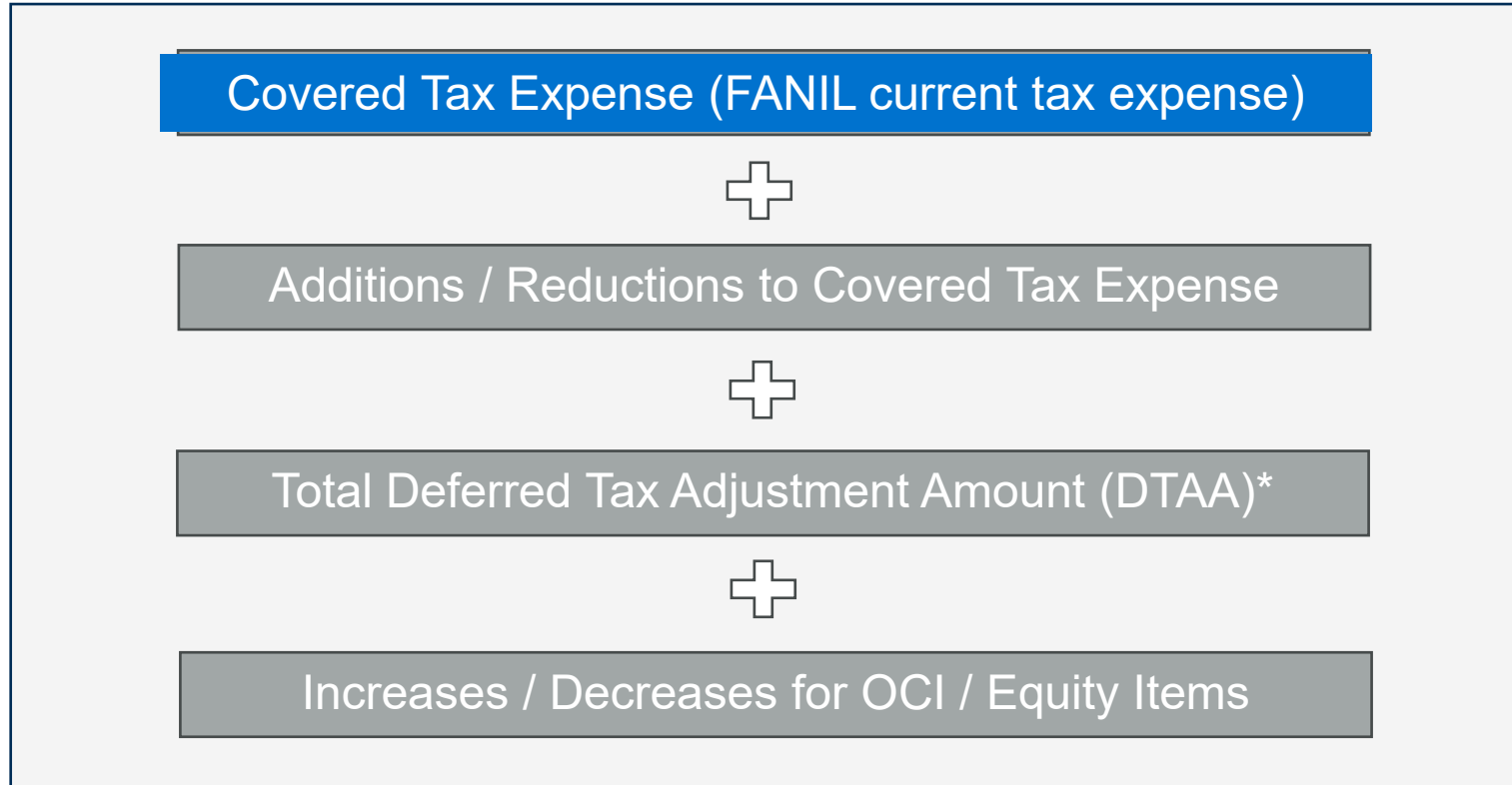
Computation of Adjusted Covered Taxes



Adjusted Covered Taxes

- Discussed in **Article 4**
- Starts with Covered Taxes, which is defined as any Taxes recorded in the financial accounts of a Constituent Entity with respect to its income or profits.
 - Definition is broader than the scope of Taxes that qualify as income taxes under financial accounting principles.
- Includes Deferred Taxes but limits rate at which they are valued to maximum of 15%
- Reduces Covered Taxes for the amount of current tax expense with respect to income excluded from the computation of GloBE Income or Loss.
- Various elective and/or required adjustments

Computation of Adjusted Covered Taxes



Adjusted Covered Taxes – Article 4

- Determined based off mathematical computation that is designed to conform to the base of GloBE income and loss
 - Adjustment to GloBE income under Article 3 (denominator of the GloBE ETR) = corresponding adjustment to Covered Taxes (numerator of the GloBE ETR)
- Covered Tax cannot be taken into account more than once

Covered Taxes – Include

- Taxes recorded in financial accounts of CE with respect to its income or profits or its share of the income or profits of CE in which it owns an Ownership Interest;
- Taxes on distributed profits, deemed profit distributions, and non–business expenses imposed under an Eligible Distribution Tax System;
- Taxes imposed in lieu of generally applicable corporate income tax; and
- Taxes levied by reference to retained earnings and corporate equity, including tax on multiple components based on income and equity.

Qualified Imputation Tax

- A Covered Tax accrued/paid by a CE refundable/creditable to the beneficial owner of a dividend distributed by the CE (or, in case of a Covered Tax accrued or paid by a PE, a dividend distributed by the Main Entity) to the extent the refund/credit provided is either:
 - By a jurisdiction that is not jurisdiction imposing Covered Taxes under a foreign tax credit regime;
 - To a beneficial owner of the dividend subject to tax at a nominal rate equaling or exceeding the Minimum Rate on the dividend on a current basis under law of jurisdiction imposing Covered Tax;
 - To an individual beneficial owner of the dividend who is tax resident in the jurisdiction imposing Covered Taxes and subject to tax on dividends as ordinary income; or
 - To a special entity enumerated under GloBE rules
 - Example: Governmental Entity, International Organization, resident Non-profit Organization, resident Pension Fund, and others.

Covered Taxes – Does Not Include

- Taxes accrued pursuant to an IIR,
- Taxes accrued pursuant to a UTPR,
- Taxes accrued pursuant to a QDMTT
- Taxes paid by an insurance company with respect to returns to policyholders
- Disqualified Refundable Imputation Tax

Disqualified Refundable Imputation Tax

- Any amount of Tax, other than a Qualified Imputation Tax, accrued or paid by a CE that is either:
 - refundable to beneficial owner of a dividend distributed by CE with respect to that dividend or creditable by beneficial owner against a tax liability other than a tax liability with respect to the dividend; or
 - refundable to distributing corporation upon distribution of a dividend.
- Such Taxes are essentially deposits that the MNE Group can have refunded at the time of its choosing by simply distributing a dividend.

Allocation of Cross-Border Current Taxes

- Main Entity and Subsidiaries
 - Foreign Branch, CFCs, Hybrid Entity, Transparent Entities
- Withholding tax on dividends
- Split of Domestic Income and Foreign Source Income by Jurisdiction – inclusions and remittances
- Excludes Blended CFC Tax Regimes like GILTI
- Acknowledges separate basket regimes
- Addresses Cross-Crediting Regimes like the U.S.
- Four Step Method
 - 1) *Foreign Source Income* taxed by the Main Entity
 - 2) Allocable Covered Taxes – residual taxes paid by the Main Entity after considering the foreign tax credit (accounting for cross-crediting)
 - 3) Allocation Keys – (inclusion x applicable tax rate) – creditable tax
 - 4) Allocation based on the Allocation Key/Sum of Allocation Keys

Allocation of Blended CFC Tax Including GILTI

- A Blended CFC Tax Regime – is designed to ensure that foreign income beneficially owned by a taxpayer is subject to a minimum level of tax on an *aggregate basis* vs. a separate entity/jurisdiction calculation
- Simplified allocation of the CFC tax to entities in low tax (< **Applicable Tax Rate** 15%) jurisdictions *for a limited time period*
 - To improve tax certainty and administrability
 - Logically allocates the largest CFC tax to the entities with greatest amount of tested income and covered taxes
- Tax years beginning on or before 12/31/2025 (CY 2024 and 2025)
 - Coincides with reduction in GILTI/FDII Section 250 Deduction
- Allocable GILTI Tax = $((\text{GILTI} - \text{S.250}) \times 21\%)$ – FTC Allowed
- Subpart F is not considered in this regime

Blended CFC (Entity) Allocation Key

Blended CFC Allocation Key:

Attributable Income of Entity X (Applicable Rate – GloBE Jurisdictional ETR)

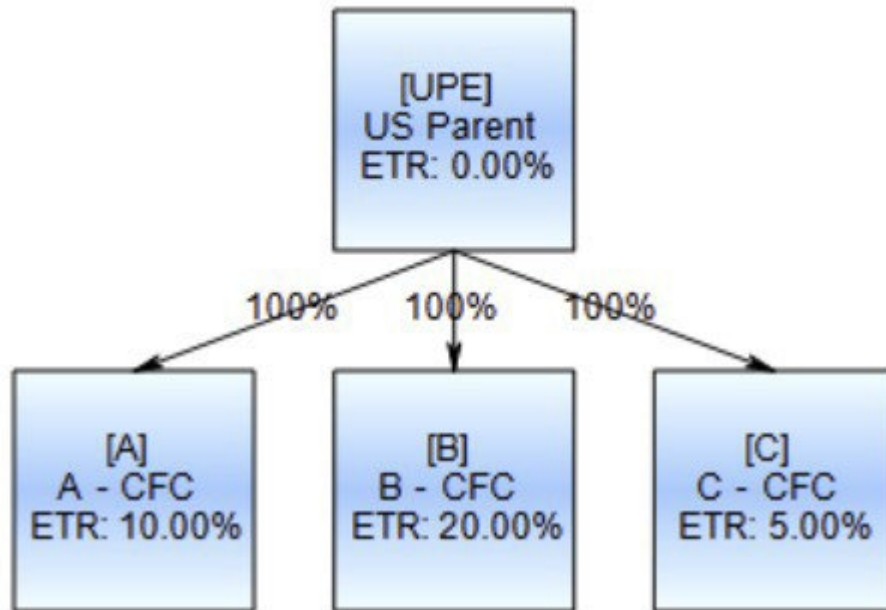
- *Attributable Income of the Entity* = Tested Income (without reduction for foreign income taxes)
 - Note – The definition of **Constituent Entity** is essentially the same as **GILTI Tested Unit**
- *Applicable Rate* = 13.125% (remember S.78/FTC scale back of 80% x 13.125 = 10.5)
- Globe Jurisdictional ETR – as computed under Article 5.1
 - Without CFC Taxes
 - QDMTT is only allowed if an FTC is granted

Blended CFC Tax Allocated to an Entity:

$$\frac{\text{Blended CFC Allocation Key}}{\text{Sum of All Blended CFC Allocation Keys}} \times \text{Allocable Blended CFC Tax}$$

2.10.4 Examples – Example 1

Overall ETR: 12.14%



- MNE Group with UPE in Country X
- X has a Blended CFC Tax Regime
- Foreign ETR must be at least 13.125% to prevent CFC tax
- CFCs in 3 Jurisdictions with the following Attributable Income and ETRs
 - A = 100u and 10% ETR
 - B = 50u and 20% ETR
 - C = 25u and 5% ETR
- Assumes a 20u CFC Tax

Blended CFC Allocation Key for Each Entity (CE/Tested Unit)

5. The Blended CFC Allocation Key for each CFC is computed as set out below:

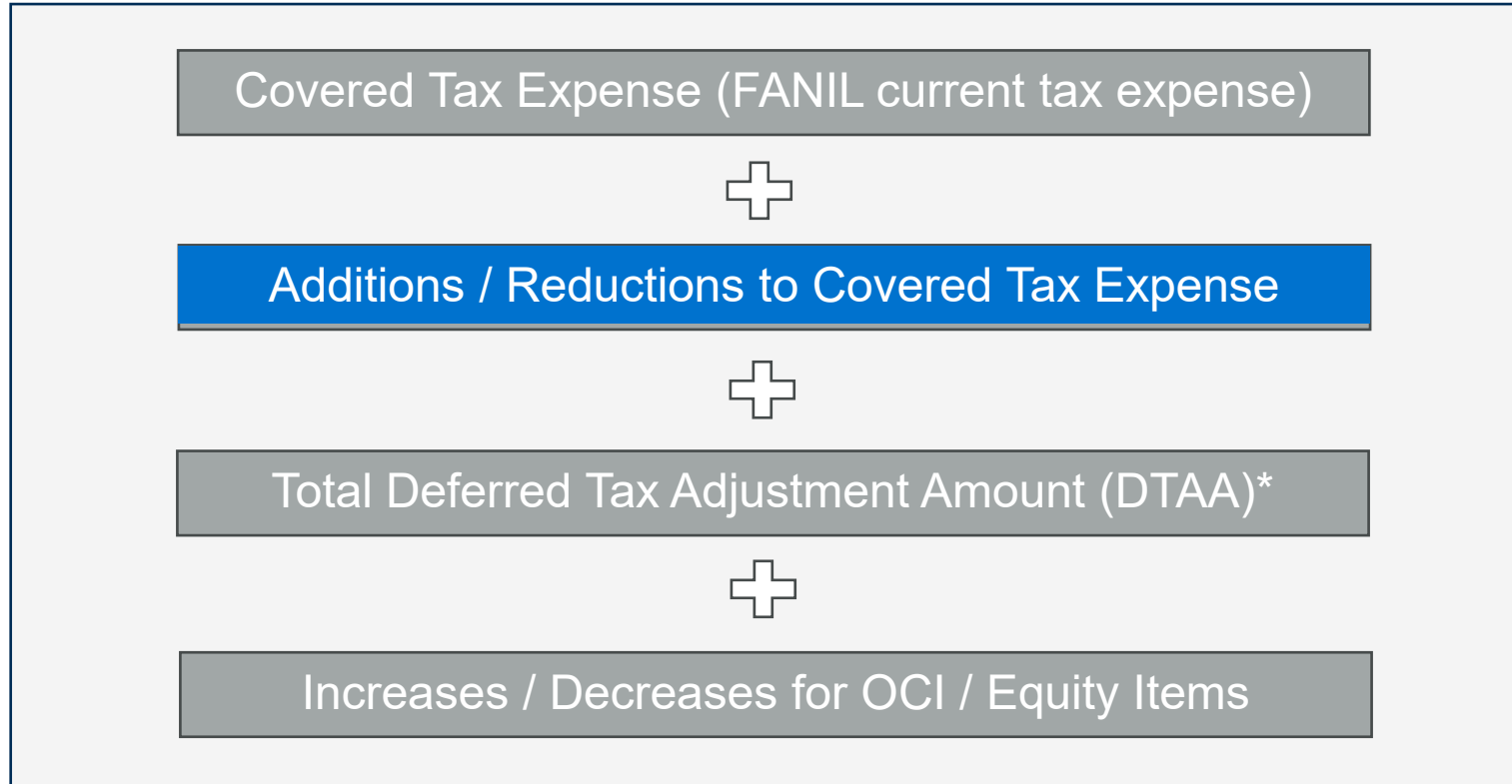
Entity	Allocation Key Computation <i>(Attributable Income of Entity x (Applicable Rate – GloBE Jurisdictional ETR))</i>	Blended CFC Allocation Key <i>(Result of Allocation Key Computation)</i>
A Co	100 x (13.125% - 10%)	3.125
B Co	50 x (13.125% - 20%)	No Allocation
C Co	25 x (13.125% - 5%)	2.031
<u>Sum of All Blended Allocation Keys</u>		<u>5.156</u>

Allocation of the Hypothetical GILTI Tax = 20u

6. The 20 of Blended CFC Tax Regime tax is then allocated as follows:

Entity	Allocation Amount Computation <i>((Blended CFC Allocation Key / Sum of All Blended CFC Allocation Keys) x Allocable Blended CFC Tax)</i>	Blended CFC Tax Allocated <i>(Result of Allocation Amount Computation)</i>
A Co	$(3.125 / 5.156) \times 20$	12.12
B Co	No Allocation	No Allocation
C Co	$(2.031 / 5.156) \times 20$	7.88
<u>Total Blended CFC Tax Allocated</u>		<u>20.00</u>

Computation of Adjusted Covered Taxes



Addition to Covered Taxes

- Designed to ensure all Covered Taxes are properly captured and attributed to a CE relative to GloBE income/loss.
- Equal to sum of all items:
 - Any amount of Covered Taxes accrued as an **ordinary expense** in the profit before taxation in the financial accounts, *i.e.*, included in pretax book income;
 - Any amount of **GloBE Loss Deferred Tax Asset** made available by the **GloBE Loss Election** under Article 4.5.3;
 - Continued on next slide

Additional Addition to Covered Taxes

- Any amount of Covered Taxes paid in the Fiscal Year and relates to an uncertain tax position (**UTP**) where the amount has been treated for a previous Fiscal Year as a Reduction to Covered Taxes under Article 4.1.3(d);
 - Does not include penalties/interest accrued or paid with respect to UTP not included as Addition.
 - Unless and until paid, current tax expense related to a UTP must not be included
- Any amount of credit or refund in respect of a Qualified Refundable Tax Credits (**QRTC**) that is recorded as a reduction to the current tax expense.
 - Corresponding adjustment to the financial accounting net income or loss (FANIL) adjustment treating QRTC as income in year the entitlement to the credit accrues (see Article 3.2.4)

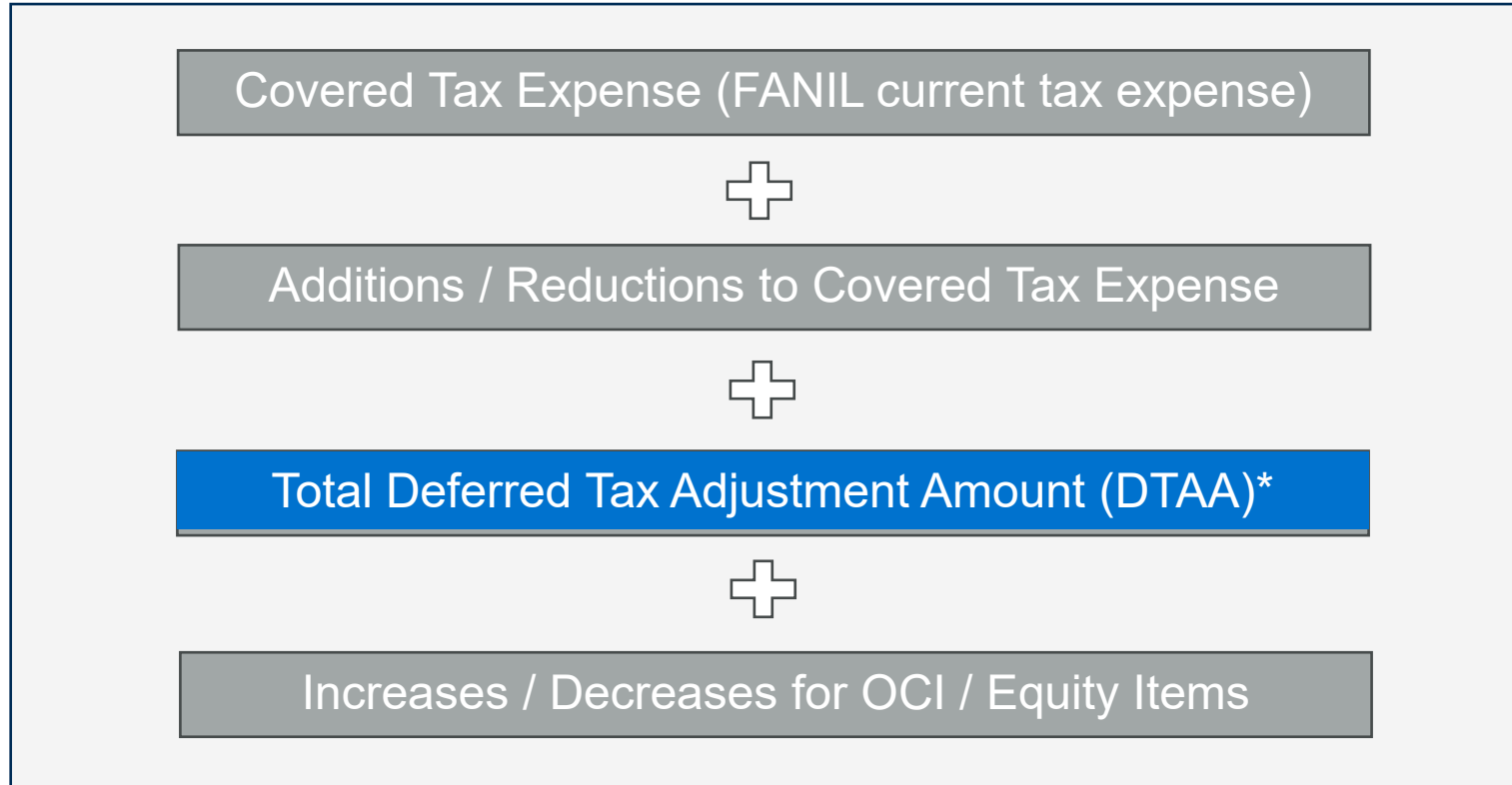
Reduction to Covered Taxes

- Designed to ensure ETR calculation for relevant CE reflects taxes with respect to GloBE income/loss expected to be paid within three years.
- Equal to sum of all items:
 - Amount of current tax expense with respect to **income excluded** from the computation of GloBE Income or Loss
 - Any amount of credit or refund in respect of a **Non-QRTC** not recorded as a reduction to the current tax expense;
 - Corresponding adjustment to the FANIL adjustment excluding Non-QRTC income in year the entitlement to the credit accrues (see Article 3.2.4)

Additional Reduction to Covered Taxes

- Any amount of **Covered Taxes refunded or credited** to a CE not treated as an adjustment to current tax expense in the financial accounts;
 - Exception: No reduction for QRTCs
- Amount of current tax expense which relates to a **UTP**;
 - Unless and until paid, current tax expense related to a UTP must not be included
- Any amount of current tax expense **not expected to be paid within three years** of the last day of the Fiscal Year.
 - Article 4.6.4: If >EUR 1 million of amount accrued by a CE as current tax expense and included in Adjusted Covered Taxes for Fiscal Year is not paid within 3 years of the last day of such year → ETR and Top-Up Tax for Fiscal Year in which unpaid amount was claimed as a Covered Tax must be recalculated excluding such unpaid amount from Adjusted Covered Taxes.

Computation of Adjusted Covered Taxes



Total Deferred Tax Adjustment Amount (DTAA)

- Mechanical Computation in Article 4.4 designed to address temporary differences to tax expense for GloBE purposes.
- **Starting Point: Compare the applicable tax rate to the Minimum Rate**
 - Minimum Rate represents the rate of the global minimum tax in the Fiscal Year in question – *i.e.*, 15% today (17% eventually).
- **If applicable tax rate is less than the Minimum Rate** → DTAA = deferred tax expense accrued in CE's financial accounts
- **If applicable tax rate is greater than Minimum Rate** → DTAA = deferred tax expense accrued in CE's financial accounts recast at the Minimum Rate (revaluation of deferred tax expense)
- DTAA is subject to certain adjustments to Covered Taxes under Articles 4.4.2, 4.4.3, and certain exclusions.

Allocation of Cross-Border Deferred Tax Expense – Approach

- Five Step Methodology:

1. Categorization of DTA and DTLs recorded in Parent Entity or Main Entity accounts related to assets/liabilities of CEs or PEs
2. Deconsolidation of net basis DTAs or DTLs from any FTCs
3. Allocation of deferred tax expense/benefit related to non-GloBE income of foreign PE or CE
4. Allocation of deferred tax expense/benefit for Non-passive GloBE income
5. Allocation of deferred tax expense/benefit for Passive GloBE income.

Step 1: Categorization of DTA and DTLs recorded in Parent Entity or Main Entity accounts related to assets/liabilities of CEs or PEs

- Identify DTAs and DTLs with respect to such assets/liabilities
- Analyze movement in DTAs and DTLs
- Categorize between three categories
 - a) Excluded GloBE income
 - b) Passive GloBE income
 - c) Non-Passive GloBE income

Step 2: Deconsolidation of net basis DTAs or DTLs from any FTCs

- Only needed if financial accounts adopt a “net basis” approach
- **Parent Entity Pre-FTC Posture:** Calculation of pre-FTC deferred tax expense/benefit arising from CFC tax regime for the Parent Entity
- **Determination of Relevant Creditable Foreign Taxes:** Calculation of any creditable foreign taxes expected to be paid by the CFC CE giving rise to the FTC (without regard to FTC limitation)
- Relevant Creditable Foreign Taxes includes:
 - Any creditable taxes which have been paid with respect to the relevant source of income, including CFs related to same source.
 - Reasonable allocation of excess FTCs arising from other sources of income which are available for use against the relevant source of income under the tax regime applicable in the Parent Entity jurisdiction (cross-credit in same basket).

Step 3: Allocation of deferred tax expense/benefit related to non-GloBE income of foreign PE or CE

- Contemplates that some deferred tax expense/benefit may relate to income not in scope of the GloBE rules by operation of Article 4.4.1(a)
- Requires an allocation to the CFC CE but then serves as an exclusion.
- Deferred tax expense/benefit not taken into account by Parent Entity or CFC CE when running GloBE calculation.

Allocation of Cross-Border Deferred Tax Expense – Approach

Step 4: Allocation of deferred tax expense/benefit for Non-passive GloBE income

- Prior to recast of Article 4.4.1(a) → Requires full push-down of deferred tax expense/benefit from Parent/Main Entity to CE/PE level
- Following push-down, recast of deferred tax under Article 4.4.1(a) at CE/PE level for pre-FTC DTL to extent recast applicable
- Reduction attributable to FTC layered is then layered but not recast
 - If Relevant Creditable Foreign Taxes exceed pre-credit DTL → result is zero (cannot be negative)

$$\text{CFC CE DTE Inclusion} = \text{Movement in [Recast Gross CFC Tax DTL (or DTA)]} - \text{Relevant Creditable Foreign Taxes (or Utilized FTCs)}$$

Step 5: Allocation of deferred tax expense/benefit for Passive GloBE income.

- Limits the allocation of deferred tax relating to Passive GloBE Income to the amount that would raise Covered Taxes on that income to 15% - Article 4.3.3.
- Any CFC taxes exceeding the 15% limit remain in Covered Taxes of Parent Entity.
- If excess tax expense related to Passive GloBE Income → excess may be treated as new deferred tax expense and possibly new current tax expense based on mechanics of Article 4.3.3.
- Does not apply with respect to PEs.

Total DTAA – Exclusions

- Applicable exclusions to DTAA:
 - Amount of deferred tax expense with respect to excluded items in GloBE Income or Loss under Article 3;
 - Amount of deferred tax expense with respect to Disallowed Accruals and Unclaimed Accruals;
 - Impact of a valuation adjustment or accounting recognition adjustment with respect to a deferred tax asset;
 - Amount of deferred tax expense arising from re-measurement due to a change in the applicable domestic tax rate; and
 - Amount of deferred tax expense related to generation and use of tax credits.

Total DTAA – Article 4.4.2 Adjustments

- Increase = amount of Disallowed Accrual or Unclaimed Accrual paid during Fiscal Year
 - Disallowed Accrual → any movement in deferred tax expense accrued in the financial accounts of a CE which relates to a UTP and/or distributions from a CE.
 - Unclaimed Accrual → any increase in a DTL recorded in the financial accounts of a CE for a Fiscal Year that is not expected to be paid within the subsequent five–year time period set forth in Article 4.4.4 and an annual election not to include in Total DTAA is made for the Fiscal Year.

Total DTAA – Article 4.4.2 Adjustments

- Increase = amount of Recaptured Deferred Tax Liability computed in a preceding Fiscal Year that is paid during current Fiscal Year
- Reduce = amount that would be attributable to reduction to the DTAA due to loss DTA for a current-year loss (in event loss DTA not recognized due to criteria not met)

Total DTAA – Article 4.4.3 Adjustments for GloBE Loss

- Applicable only if:
 - There is a DTA attributable to a GloBE Loss, AND
 - DTA attributable to GloBE Loss is recorded at a rate lower than the Minimum Rate
- If requirements met, the DTA is revalued at the Minimum Rate in the Fiscal Year in which the loss relates to a GloBE loss.
- May create Additional Top–Up Tax in certain instances
- Policy: prevent distortions attributable to loss DTA arising in future years and encourage consistent outcomes with GloBE income/loss base.

Special DTL Recapture Rule & Recapture Exception Accrual

- Article 4.4.4 → to extent a DTL is taken into account in Covered Taxes and the DTL is not paid within five subsequent Fiscal Years, the amount must be recaptured.
 - Treated as a Reduction To Covered Taxes in the fifth preceding Fiscal Year (results in a re-computation of ETR and Top-Up Tax)
 - The Recaptured DTL for current Fiscal Year = amount of deferred tax liability included in the Total DTAA in the fifth preceding Fiscal Year not reversed by end of the last day of current Fiscal Year
- Exception: **Recapture Exception Accrual** (Article 4.4.5)
 - if amount subject to the DTL Recapture Rule is a Recapture Exception Accrual = no DTL Recapture required

Special DTL Recapture Rule & Recapture Exception Accrual

- Recapture Exception Accrual = tax expense accrued attributable to changes in deferred tax liabilities with respect to:
 - Cost recovery allowances on tangible assets
 - Cost of license from a government for use of immovable property/exploitation of natural resources entailing investment in tangible assets
 - R&D expense
 - De-commissioning and remediation expenses;
 - Fair value accounting on unrealized net gains;
 - FX net gains;
 - Insurance reserves and insurance policy deferred acquisition costs;
 - Gains from the sale of tangible property located in the same jurisdiction of CE that are reinvested in tangible property in same jurisdiction;
 - Any additional amounts accrued resulting from accounting principles changes related to these items.

Special DTL Recapture Rule – Tracking Categories

- 1. Item by Item Method** – individually tracking DTLs related to a single asset or liability class
- 2. General Ledger Account Method** – grouping DTLs related to all assets and liabilities referenced in a specific General Ledger account
- 3. Aggregate DTL Category Method** – grouping DTLs which may be related to two or more General Ledger accounts which fall under the same balance sheet or sub-balance sheet account.

- DTLs related to GloBE excluded items not included in Categories
- Grouped DTL categories which include DTLs subject to Recapture Exception Accrual may get included in DTL Recapture despite exception.
- Grouped DTL categories may include Short Term DTLs, *i.e.*, reversal within five years
- General Ledger Account Method and Aggregate DTL Category Method given simplifications in the June 2024 AG for tracking with respect to certain items considered in their respective DTL categories.

Special DTL Recapture Rule – Aggregate DTL Category

- Does not include:
 - Single GL accounts that inevitably generate DTAs
 - Fluctuating GL accounts resulting in net DTA and net DTL positions at different periods over the useful life of asset/liability
- Excludes certain DTLs from grouping:
 - DTLs related to non-amortizable intangibles – *e.g.*, goodwill and other similar intangibles
 - DTLs related to amortizable intangibles with accounting life greater than five fiscal years
 - DTLs related to receivables/payables made by a related party

Special DTL Recapture Rule – Simplifications

- **Short-Term DTL Tracking Exception** – no tracking required for short-term DTLs if CE can objectively demonstrate all DTLs in Aggregate DTL Category or General Ledger Account Category are actually short-term.
 - Example: DTLs attributable to intangible amortized under straight-line method (10 years) for accounting and (five years) for tax purposes.
 - Applicable to grouped categories that consist of only Short-Term DTLs
 - Can be applied if Short-Term DTLs in Aggregate DTL Category are bifurcated from those which will not reverse within five years.
 - Can be applied to include Short-Term DTAs in Aggregate DTL Category if such category only contains Short-Term DTLs.
- **Unclaimed Accrual Election** – permits CE to exclude DTL accrual in a fiscal year if not expected to entirely reverse by end of the fifth subsequent Fiscal Year.
 - Must be made consistently with tracking approach used for the respective DTL in question.
 - Applies to all DTL tracking categories.

Special DTL Recapture Rule – Tracking Method

- June 2024 AG elaborates when a DTL reversal relates to accruals from a preceding five fiscal year period or a previously recaptured DTL to eliminate uncertainties where there is complexity in tracking DTLs for GloBE purposes.
- DTL reversals and recapture tracked under either a LIFO or FIFO method dependent upon circumstances of the DTLs
 - Default rule → DTL reversals related to accruals on LIFO method.
- FIFO may be used under following conditions:
 - DTLs determined in relation to single GL account.
 - DTLs determined in relation to Aggregate DTL Category that consists solely of DTLs set to reverse within a two-year proximity period of each other.
 - DTLs determined in relation to Aggregate DTL Category consisting of GL accounts to which the MNE Group can demonstrate that the FIFO methodology appropriately recaptures DTLs that reverse beyond five years.
- Amount of recapture for each tracking method quantified by mechanical formula which considers yearly movement of the DTLs unjustified balance per June 2024 AG.

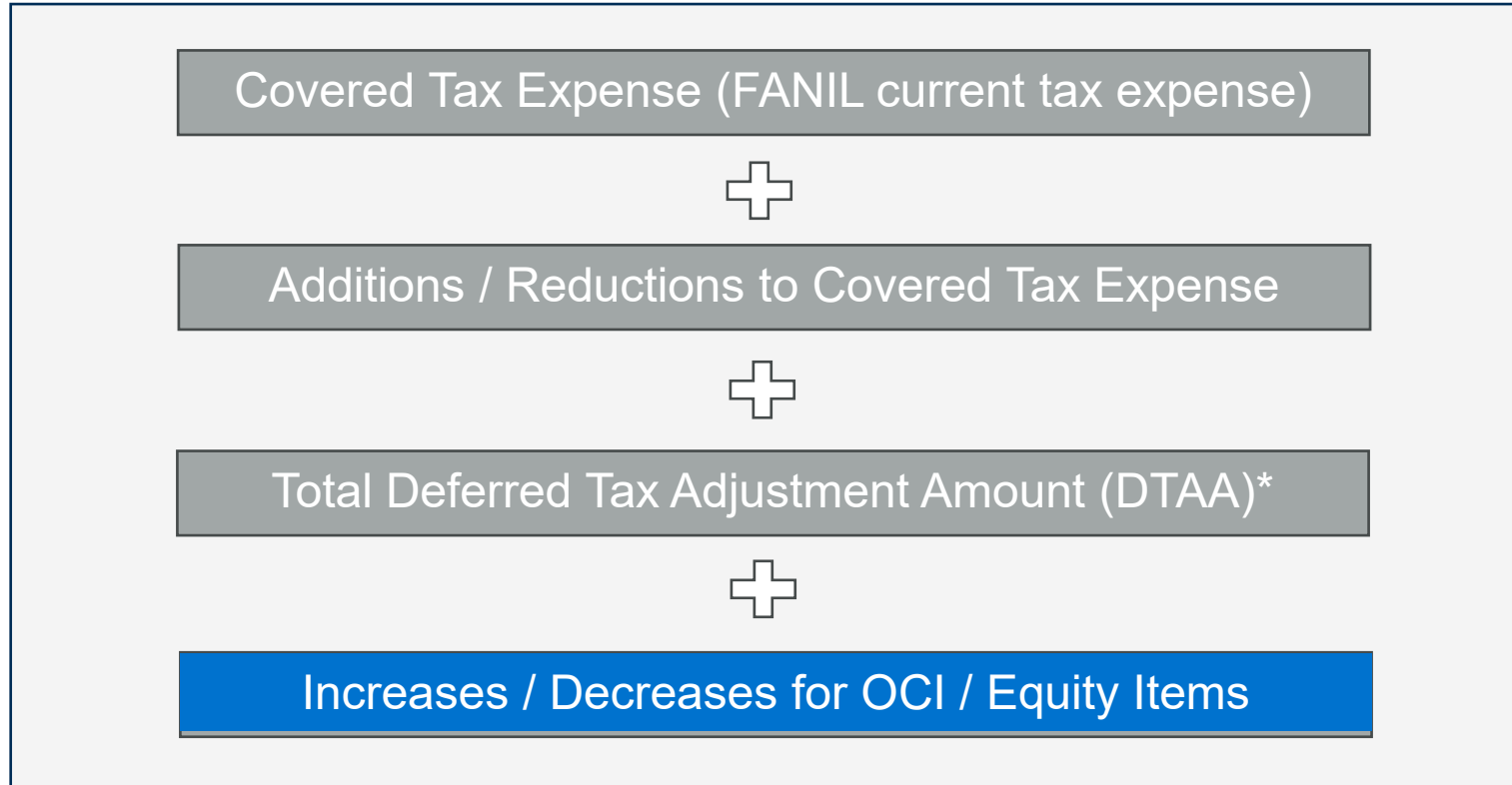
The GloBE Loss Election

- Introduced in Article 4.5
- Alternative to DTAA rules
- Jurisdictional election that creates a GloBE Loss DTA in each year where there is a Net GloBE Loss for the elected jurisdiction and permits the GloBE Loss DTA to be carried forward and used in subsequent Fiscal Years as an Addition to Covered Taxes (4.1.2).
 - $\text{GloBE Loss DTA} = \text{Net GloBE Loss} \times \text{Minimum Rate}$
 - Once GloBE Loss DTA is used in a subsequent Fiscal Year, the DTA must be reduced.
 - GloBE Loss DTA is a jurisdictional attribute with respect to the MNE Group that made the election – *i.e.*, not transferable with respect to a CE transferred to another MNE Group

The GloBE Loss Election

- **One–Time Election**
 - Must be filed with the first GloBE Information Return (GIR) of MNE Group that has a CE located in the jurisdiction for which the election is made
 - Not applicable for jurisdictions with Eligible Distribution Tax Systems in Article 7.3
 - Can be revoked
 - If revoked → any remaining GloBE Loss DTA must be reduced to zero upon revocation.
- **Special Rule for Flow-Through UPEs** – can be made for Flow-Through UPEs but only with respect to the UPE and not other entities in the UPE jurisdiction.

Computation of Adjusted Covered Taxes



Increase or Decrease in Covered Tax for OCI and Equity

- Increases or decreases to Covered Taxes that are not included in current or deferred tax expense but are recorded in equity or OCI are required to be adjusted to Covered Taxes when the amounts of income or loss to which such taxes relate are considered in the computation of GloBE income or loss.
- Example: CE subject to tax on gain/loss taken into account under OCI pursuant to revaluation method for PPE under Article 3.2.1(d).
 - If gain included in GloBE = increase to covered tax adjustment
 - If loss included in GloBE = reduction to covered tax adjustment

Meet Your Presenters



Justin Metcalfe

Director (Forvis Mazars US)

980.729.7446

justin.metcalfe@us.forvismazars.com

Justin is a director with the International Tax Services team. Justin has more than nine years of experience overseeing international tax planning, compliance, and provision projects for complex, public, and private multinational organizations. He is also the developer of the Forvis Mazars Plexus International Tax Model and the Forvis Mazars Pillar Two Prism Model. He is a frequent conference speaker and panelist on topics related to GILTI, Subpart F Income, foreign-derived intangible income, the base erosion and anti-abuse tax, as well as foreign tax credits. Justin also works extensively in mergers, acquisitions, and divestitures and is one of Forvis Mazars' lead consultants on the OECD's BEPS Pillar Two initiative. He is a licensed attorney in the states of Florida and South Carolina, as well as Washington, D.C.



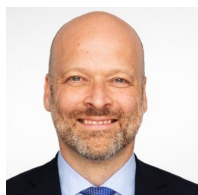
Kira Miles

Director (Forvis Mazars US)

704.452.8040

kira.miles@us.forvismazars.com

Kira is a director with the International Tax Services team. Kira has more than nine years of experience with international tax compliance, provision, and tax planning projects for complex, public, and private multinational organizations. She is well versed in the required US International tax filings and associated GILTI, FDII, FTC, and Pillar 2 implications to the clients she serves. In addition, she assists with periodic and annual provision calculations and reporting including review of local country tax provisions and supporting calculations required for mergers and acquisitions related to discontinued operations and purchase accounting. She is a graduate of University of South Carolina, Columbia, with a B.S. degree in accounting and international business, and a graduate of Wake Forest University, Winston-Salem, North Carolina, with an M.Acc. degree. Kira is a licensed CPA in the state of North Carolina.



Florian Mengele

Partner (Forvis Mazars Germany)

florian.mengele@mazars.de

Florian has more than 22 years of experience in international taxation of large and listed entities. He started his career with the tax authorities, most recently as head of the tax field audit department for southeast Bavaria. He advises various large international groups on various phases of Pillar 2 implementation, including advice on processes and integration. Florian is co-leading the Forvis Mazars Pillar 2 community and was responsible for all tax related aspects of the development of the Forvis Mazars Pillar 2 tool solution. Florian published several articles on international taxation and is co-author of a leading commentary to German GAAP and of the forthcoming commentary to Pillar 2 of the German Institute of Auditors ("IDW"). Florian serves large international clients (including DAX 40) in international taxation, Pillar 2 and tax field audits

Contact

Forvis Mazars

The information set forth in this presentation contains the analysis and conclusions of the author(s) based upon his/her/their research and analysis of industry information and legal authorities. Such analysis and conclusions should not be deemed opinions or conclusions by Forvis Mazars or the author(s) as to any individual situation as situations are fact-specific. The reader should perform their own analysis and form their own conclusions regarding any specific situation. Further, the author(s)' conclusions may be revised without notice with or without changes in industry information and legal authorities.

© 2024 Forvis Mazars, LLP. All rights reserved.