

By PwC Deutschland | 08 July 2022

Finance Committee approves amendments on two double tax agreements

On 6 July 2022 the Finance Committee of the German Bundestag (whose working scope basically coincides with the responsibilities of the Federal Ministry of Finance) approved specific revisions to the double tax treaties with Mauritius and Mexico.

First, as to the amendment to the double tax agreement (DTA) of 7 October 2011 between Germany and the **Republic of Mauritius**: This revision is intended to avoid not only double taxation but also non-taxation or reduced taxation in accordance with the BEPS minimum standards. The procedure for dispute settlement will be complemented by the possibility of arbitration, according to the draft law.

The Committee further approved a draft law amending the DTA of 9 July 2008 between Germany and **Mexico**. Especially, it implements the existing DTA recommendations of the joint project of the OECD and the G20 against the avoidance and shifting of profits. Among other things, it is pointed out that the purpose of the DTA is not only to avoid double taxation but also to prevent tax evasion or tax avoidance.

Reference:

German Parliament, press release of 6 July 2022 (*Bundestag daily* – hib).

Keywords

BEPS, Profit Shifting, double tax treaty