



Kate Ramm

Senior Adviser to the BEPS Project
CENTRE FOR TAX POLICY AND ADMINISTRATION

John Peterson

Senior Adviser - ATP
CENTRE FOR TAX POLICY AND ADMINISTRATION

Mr. William Morris
Senior International Tax Counsel & Director – Global
Tax Policy
GE International Inc.
United Kingdom

Email: william.morris@ge.com

Ref: Further consultation on hybrids

22 October 2014

Dear Will,

We are writing to you to request BIAC's assistance on the work we are doing on hybrids in 2014/15.

As you are aware the key output from this phase of the work will be guidance, in the form of a Commentary, which explains the application of the recommendations in the Hybrids Report. The Commentary will contain examples illustrating how the rules are intended to operate. As already mentioned we are not proposing to undertake a full public consultation process as we did with the report but it would be very helpful to have written comments from your members that could be followed by a meeting next year. In particular it would be useful if BIAC members could highlight actual examples where the hybrid mismatch rules may be difficult to apply or where their application is not clear.

The Hybrids Report also notes that further consideration should be given to a number of areas including the application of the hybrid financial instrument rule to on-market trading activities and the impact of the imported mismatch rule on controlled groups. As with our work on the Commentary, it would be helpful to see examples that gave us a more precise understanding of the problems that could arise in applying these rules to intra-group mismatches so that we can consider what solutions may be available to address any concerns.

We are happy to discuss how we take this forward and a possible time line, with you or other members of the BIAC committee. Assuming that might be helpful perhaps we can set up a phone call? We look forward to speaking to you.

Yours sincerely,

Kate Ramm
Senior Adviser to the BEPS Project, CTPA
kate.ramm@oecd.org

John Peterson
Senior Adviser – ATP, CTPA
John.peterson@oecd.org