



The Voice of OECD Business

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## Media Release

### Business Welcomes OECD VAT/GST Framework at Global Forum in Tokyo

**Tokyo, 18 April 2014** - At the 2nd OECD Global Forum on VAT held in Tokyo, BIAC supported endorsement of new OECD International VAT/GST Guidelines to remove VAT/GST obstacles to cross border trade in services and intangibles.

Karl-Heinz Haydl, Business Co-Chair of the OECD VAT Technical Advisory Group (TAG) stated, “The Guidelines endorsed by OECD to develop an International VAT/GST framework are an important foundation for further work on VAT issues related to business to consumer services (B2C) including administrative co-operation and exchange of information, and other implementation issues. Business is highly committed to support the future work of the OECD on indirect tax and encourages the OECD and governments to continue development of the OECD VAT/GST Framework”.

The Global Forum brought together 100 governments and business experts, to discuss progress made in the development of OECD VAT/GST Guidelines. The Guidelines will serve as an international standard to address issues of double taxation and unintended non-taxation resulting from inconsistencies in the application of VAT to international trade, and will be further expanded to address the range of VAT/GST issues impacting cross border trade in services and intangibles.

Developed by governments with the input of BIAC experts through participation to the OECD VAT Technical Advisory Group (TAG), the Guidelines provide a global framework based on 2 fundamental principles - the ‘destination principle’ and the ‘neutrality principle’.

The Global Forum on VAT facilitates an important international dialogue with countries beyond OECD on the development and implementation of the VAT/GST Guidelines. BIAC will continue to play an important advisory role in the development of the Guidelines including through participation in the OECD Technical Advisory Group for this important project.

*Founded in 1962 as an independent organisation, the Business and Industry Advisory Committee to the OECD (BIAC) is the officially recognised representative of the OECD business community. BIAC’s members are the major business organisations in the OECD member countries and a number of OECD observer countries.*

*For more information, contact [Maud Garnier](#), BIAC Communications Manager.*