

# Grenada

Grenada is taking steps to implement the aspects of the terms of reference (OECD, 2021<sup>[3]</sup>) (ToR) for the transparency framework and to commence administrative preparations to ensure that it establishes an information gathering process (ToR I.A) and that information on rulings will be identified and exchanged in a timely manner (ToR II.B). Grenada receives two recommendations on these points for the year in review.

In the prior year's peer review report, as well as in the 2019 peer review report, Grenada had received the same two recommendations. As they have not been addressed, the recommendations remain in place.

Grenada can legally issue five types of rulings within the scope of the transparency framework.

In practice, Grenada issued no rulings within the scope of the transparency framework.

As no exchanges were required to take place, no peer input was received in respect of the exchanges of information on rulings received from Grenada.

## Information gathering process (ToR I.A)

530. Grenada can legally issue the following five types of rulings within the scope of the transparency framework: (i) preferential regimes; (ii) cross-border unilateral APAs and any other cross-border unilateral tax rulings (such as an advance tax ruling) covering transfer pricing or the application of transfer pricing principles; (iii) rulings providing for unilateral downward adjustments; (iv) permanent establishment rulings; and (v) related party conduit rulings.

### ***Past rulings (ToR I.A.1.1, I.A.1.2, I.A.2.1, I.A.2.2)***

531. For Grenada, past rulings are any tax rulings issued prior to 1 March 2019. However, there is no obligation for Grenada to conduct spontaneous exchange information on past rulings.

### ***Future rulings (ToR I.A.1.1, I.A.1.2, I.A.2.1)***

532. For Grenada, future rulings are any tax rulings within scope that are issued on or after 1 March 2019.

533. No rulings were issued by Grenada during the period in review. Grenada indicates that there are not yet processes in place to ensure the implementation of the obligations relating to the transparency framework such as the record keeping of rulings. It is noted that Grenada intends to implement appropriate processes to ensure the necessary information to meet the requirements of the transparency framework is required in all cases.

### ***Review and supervision (ToR I.A.3)***

534. In the prior years' peer review reports, it was determined that Grenada did not yet have a review and supervision mechanism for past rulings under the transparency framework. Therefore, Grenada was recommended to put in place a review and supervision mechanism as soon as possible. Grenada is discussing the implementation of a revision and supervision mechanism for ensuring implementation of the transparency framework.

### ***Conclusion on section A***

535. Grenada is recommended to finalise its information gathering process for identifying all past and future rulings and all potential exchange jurisdictions, with a review and supervision mechanism, as soon as possible (ToR I.A).

## Exchange of information (ToR II.B)

### ***Legal basis for spontaneous exchange of information (ToR II.B.1, II.B.2)***

536. Grenada has the necessary domestic legal basis to exchange information spontaneously. Grenada notes that there are no legal or practical impediments that prevent the spontaneous exchange of information on rulings as contemplated in the Action 5 minimum standard.

537. Grenada has international agreements permitting spontaneous exchange of information, including: (i) the *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011<sup>[1]</sup>) ("the Convention") and (ii) bilateral agreements in force with 12 jurisdictions.<sup>1</sup>

### **Completion and exchange of templates (ToR II.B.3, II.B.4, II.B.5, II.B.6, II.B.7)**

538. Grenada is still developing a process to complete the templates on relevant rulings, to make them available to the Competent Authority for exchange of information, and to exchange them with relevant jurisdictions.

539. During the year in review, no exchanges were required to take place and no data on the timeliness of exchanges is reported.

### **Conclusion on section B**

540. Grenada is recommended to continue its efforts to put in place a process to complete the templates for all relevant rulings and to ensure that the exchanges of information on rulings occur as soon as possible (ToR II.B).

### **Statistics (ToR IV.D)**

541. As no rulings were issued, no statistics can be reported.

### **Matters related to intellectual property regimes (ToR I.A.1.3)**

542. Grenada does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015<sup>[2]</sup>) were imposed.

### **Summary of recommendations on implementation of the transparency framework**

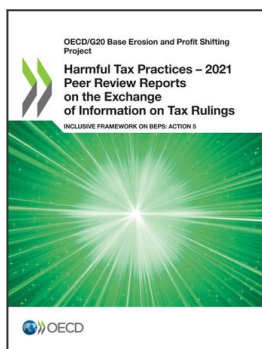
<b>Aspect of implementation of the transparency framework that should be improved</b>	<b>Recommendation for improvement</b>
Grenada has not put in place the necessary information gathering process.	Grenada is recommended to finalise its information gathering process for identifying all future rulings and potential exchange jurisdictions, with a review and supervision mechanism, as soon as possible. This recommendation remains unchanged since the 2019 and 2020 peer review reports.
Grenada does not have a process to complete the templates on relevant rulings, to make them available to the Competent Authority for exchange of information, and to exchange them with relevant jurisdictions.	Grenada is recommended to develop a process to complete the templates on relevant rulings and to ensure that the exchanges of information on rulings occur in accordance with the form and timelines under the transparency framework. This recommendation remains unchanged since the 2019 and 2020 peer review reports.

## References

- OECD (2021), *BEPS Action 5 on Harmful Tax Practices - Terms of Reference and Methodology for the Conduct of the Peer Reviews of the Action 5 Transparency Framework*, OECD Publishing, Paris, <http://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>. [3]
- OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://doi.org/10.1787/9789264241190-en>. [2]
- OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264115606-en>. [1]

## Notes

<sup>1</sup> Participating jurisdictions to the Convention are available here: [www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm](http://www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm). Grenada also has bilateral agreements with South Africa, the United Kingdom, and jurisdictions party to the CARICOM agreement.



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