

Luxembourg Updates CbCR FAQs

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On 18 January 2023, the Luxembourg Tax Administration published updated frequently asked questions (FAQs) regarding Country-by-Country Reporting (CbCR).

The updates to the FAQs include the following clarifications:

- where an investment fund is composed of compartments or sub-funds, only the (umbrella) fund is considered a constituent entity of the multinational enterprise (MNE) group. In that case, it is not necessary to file notifications for each compartment or sub-fund, or to indicate the identity of these compartments or sub-funds in the filing declarations (section 3.1. of the FAQs); and
- the reporting entity of an MNE group with a short accounting period, which begins on or after 1 January 2016 and ends before 31 December 2016 can file the mandatory CbC report within the time limit set for multinational companies whose fiscal year ends on 31 December 2016. For the application of the EUR 750 million threshold, the total turnover should be adjusted based on the consolidated financial statements to the amount that would correspond to a full accounting year of 12 months if the ultimate parent entity in the previous period had an accounting year for a period of less than 12 months (section 4.3. of the FAQs).

The full text of the FAQs, which were published in a newsletter of 18 January 2023, is available [here](#) (in French only).