

Luxembourg Likely to Delay Implementation of Pillar Two Rules

8 December 2023

Report from Dr René Offermanns, Principal Associate, IBFD

On 5 December 2023, the Financial Committee in the parliament discussed postponing the implementation of the Minimum Taxation Directive (2022/2523).

The postponement is due to the complexity of the legislation, particularly in determining the applicability of the Minimum Taxation Directive (2022/2523) to companies involved in more complex financial arrangements. Additionally, the pending release of the State Council's opinion also influenced the delay.

The Global Minimum Tax will most likely enter into force after January 2024 following discussions around 1 January 2024 regarding the potential retroactive application of the tax.

For previous reporting, see [Government Details Amendments to Global Minimum Taxation Bill Sent to Parliament \(22 November 2023\)](#),

[Government Submits Draft Bill on Implementing Pillar Two Rules to Parliament \(7 August 2023\)](#) and [Council of Ministers Adopts Draft Bill to Implement Pillar Two Rules \(31 July 2023\)](#).

The full text of the press release, published on the website of the parliament on 5 December 2023 is available [here](#) (in French only).