

# Case Study 2: Stratos's First Top-Up Tax Allocation

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## Introduction

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This case study brings together the concepts from Chapters 2.1 to 2.4. You will complete a full Top-Up Tax allocation for Stratos Group plc, working through the GloBE Calculator tool (GIR-001) and then applying the IIR and UTPR allocation methodologies.

**Important:** This case study requires you to work through the complete calculation chain—from raw financial data to final Top-Up Tax allocation. Do not skip steps.

**Time estimate:** 90-120 minutes

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## Background: Stratos Group — FY 2025

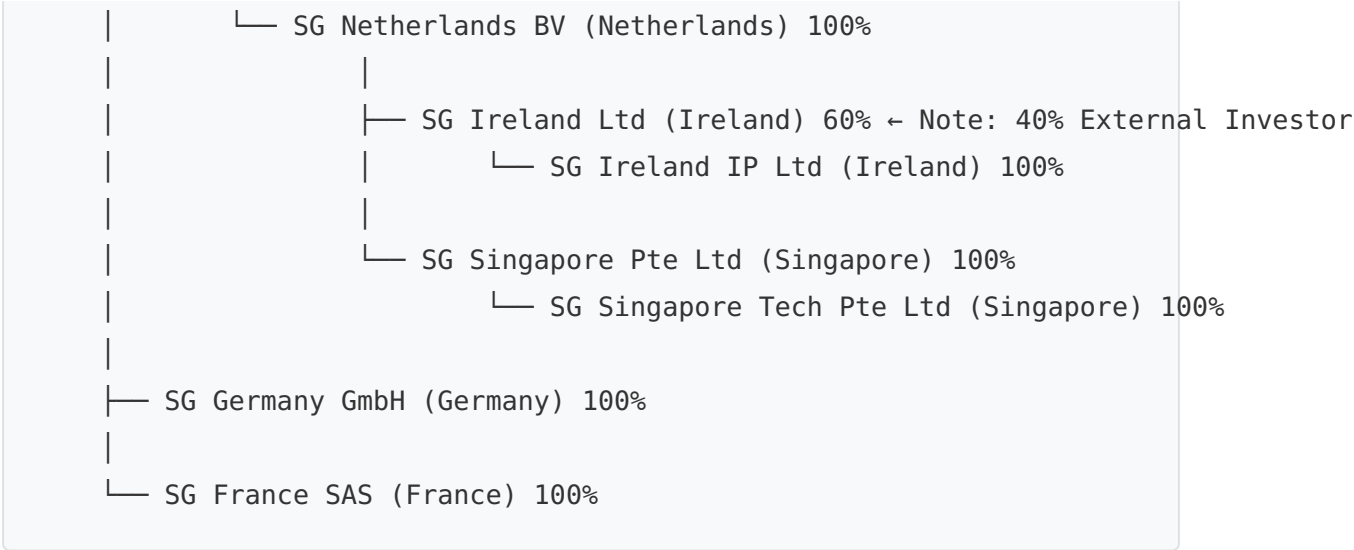
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Stratos Group plc has completed its first year subject to the GloBE Rules. The tax team has gathered financial and tax data from all jurisdictions and must now:

1. Calculate ETR for each jurisdiction
2. Determine which jurisdictions are low-taxed (ETR < 15%)
3. Calculate Top-Up Tax for low-taxed jurisdictions
4. Allocate Top-Up Tax under IIR or UTPR

## Relevant Ownership Structure





### Qualified IIR/UTPR Status (FY 2025)

Jurisdiction	Qualified IIR?	Qualified UTPR?
UK	Yes	Yes
Netherlands	Yes	Yes
Germany	Yes	Yes
France	Yes	Yes
Ireland	Yes (QDMTT only)	No
Singapore	No	No

### Task 1: ETR Calculation (GIR-001 Step 1)

#### Data Provided

The following data has been extracted from Stratos's accounting and tax systems for FY 2025.

#### Singapore Jurisdictional Data

Entity	GloBE Income (€)	GloBE Loss (€)	Adjusted Covered Taxes (€)
SG Singapore Pte Ltd	12,500,000	—	1,562,500
SG Singapore Tech Pte Ltd	4,800,000	—	600,000
<b>Singapore Total</b>	<b>17,300,000</b>	<b>—</b>	<b>2,162,500</b>

#### Ireland Jurisdictional Data

Entity	GloBE Income (€)	GloBE Loss (€)	Adjusted Covered Taxes (€)
SG Ireland Ltd	5,200,000	—	650,000
SG Ireland IP Ltd	2,100,000	—	262,500
<b>Ireland Total</b>	<b>7,300,000</b>	<b>—</b>	<b>912,500</b>

#### Other Jurisdictions (for reference)

Jurisdiction	Net GloBE Income (€)	Adjusted Covered Taxes (€)	ETR
UK	45,600,000	10,944,000	24.0%
Netherlands	8,400,000	2,100,000	25.0%
Germany	22,300,000	6,690,000	30.0%
France	15,800,000	3,950,000	25.0%

## Your Task

Using the data above, calculate the Effective Tax Rate for Singapore and Ireland.

### GIR-001 Step 1: ETR Calculation

The ETR formula is:

$$\text{ETR} = \text{Adjusted Covered Taxes} \div \text{Net GloBE Income}$$

Where Net GloBE Income = Total GloBE Income – Total GloBE Losses for the jurisdiction (Article 5.1.2)

## Expected Deliverable

Complete the ETR calculation for each low-tax jurisdiction:

### Singapore ETR Calculation

Item	Formula	Your Answer
A. Total GloBE Income	Sum of all Singapore entities	€
B. Total GloBE Losses	Sum of losses (if any)	€
C. Net GloBE Income	A – B	€
D. Adjusted Covered Taxes	Sum of Singapore covered taxes	€
E. ETR	D ÷ C (round to 4 decimal places)	%
F. Low-taxed?	ETR < 15%?	Yes / No

### Ireland ETR Calculation

Item	Formula	Your Answer
A. Total GloBE Income	Sum of all Ireland entities	€
B. Total GloBE Losses	Sum of losses (if any)	€
C. Net GloBE Income	A – B	€
D. Adjusted Covered Taxes	Sum of Ireland covered taxes	€
E. ETR	$D \div C$ (round to 4 decimal places)	%
F. Low-taxed?	ETR < 15%?	Yes / No

# Task 2: SBIE Calculation (GIR-001 Step 2)

## Data Provided

### Singapore Substance Data (FY 2025)

Entity	Eligible Employees	Eligible Payroll Costs (€)	Tangible Assets NBV (€)
SG Singapore Pte Ltd	85	6,200,000	4,500,000
SG Singapore Tech Pte Ltd	120	8,400,000	12,800,000
<b>Singapore Total</b>	<b>205</b>	<b>14,600,000</b>	<b>17,300,000</b>

### Ireland Substance Data (FY 2025)

Entity	Eligible Employees	Eligible Payroll Costs (€)	Tangible Assets NBV (€)
SG Ireland Ltd	45	3,800,000	2,200,000
SG Ireland IP Ltd	12	1,400,000	850,000
<b>Ireland Total</b>	<b>57</b>	<b>5,200,000</b>	<b>3,050,000</b>

### SBIE Transition Rates for FY 2025 (Article 9.1)

Carve-Out	Rate
Payroll	9.8%
Tangible Assets	7.8%

## Your Task

Calculate the Substance-Based Income Exclusion for Singapore and Ireland using the FY 2025 transition rates.

### GIR-001 Step 2: SBIE Calculation

The SBIE formula is:

$$\text{SBIE} = (\text{Eligible Payroll Costs} \times \text{Payroll Rate}) + (\text{Tangible Assets NBV} \times \text{Asset Rate})$$

## Expected Deliverable

### Singapore SBIE Calculation

Item	Formula	Your Answer
A. Eligible Payroll Costs	From data provided	€

Item	Formula	Your Answer
B. Payroll Rate (FY 2025)	From transition table	%
C. Payroll Carve-Out	$A \times B$	€
D. Tangible Assets NBV	From data provided	€
E. Asset Rate (FY 2025)	From transition table	%
F. Asset Carve-Out	$D \times E$	€
<b>G. Total SBIE</b>	<b>C + F</b>	<b>€</b>

### Ireland SBIE Calculation

Item	Formula	Your Answer
A. Eligible Payroll Costs	From data provided	€
B. Payroll Rate (FY 2025)	From transition table	%
C. Payroll Carve-Out	$A \times B$	€
D. Tangible Assets NBV	From data provided	€
E. Asset Rate (FY 2025)	From transition table	%
F. Asset Carve-Out	$D \times E$	€
<b>G. Total SBIE</b>	<b>C + F</b>	<b>€</b>

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# Task 3: Top-Up Tax Calculation (GIR-001 Step 3)

## Data Provided

Use your answers from Tasks 1 and 2, plus the following additional information:

### QDMTT Status

Jurisdiction	Has QDMTT?	QDMTT Amount Paid (€)
Singapore	No	—
Ireland	Yes	480,000

## Your Task

Calculate the Jurisdictional Top-Up Tax for Singapore and Ireland.

### GIR-001 Step 3: Top-Up Tax Calculation

The Top-Up Tax formula is:

Top-Up Tax Percentage = 15% – ETR (Article 5.2.1)

Excess Profit = Net GloBE Income – SBIE (Article 5.2.2)

Jurisdictional Top-Up Tax = (Top-Up Tax % × Excess Profit) – QDMTT (Article 5.2.3)

## Expected Deliverable

### Singapore Top-Up Tax Calculation

Item	Formula	Your Answer
A. Net GloBE Income	From Task 1	€
B. ETR	From Task 1	%

Item	Formula	Your Answer
C. Top-Up Tax Percentage	$15\% - B$ (if $B < 15\%$ )	%
D. SBIE	From Task 2	€
E. Excess Profit	$A - D$	€
F. Initial Top-Up Tax	$C \times E$	€
G. QDMTT Offset	From data provided	€
<b>H. Jurisdictional Top-Up Tax</b>	<b><math>F - G</math></b>	<b>€</b>

### Ireland Top-Up Tax Calculation

Item	Formula	Your Answer
A. Net GloBE Income	From Task 1	€
B. ETR	From Task 1	%
C. Top-Up Tax Percentage	$15\% - B$ (if $B < 15\%$ )	%
D. SBIE	From Task 2	€
E. Excess Profit	$A - D$	€
F. Initial Top-Up Tax	$C \times E$	€
G. QDMTT Offset	From data provided	€
<b>H. Jurisdictional Top-Up Tax</b>	<b><math>F - G</math></b>	<b>€</b>

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# Task 4: Entity Allocation Within Jurisdictions

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## Your Task

Allocate the Jurisdictional Top-Up Tax to individual Constituent Entities within each low-taxed jurisdiction.

**Allocation Rule** (Article 5.2.4): Top-Up Tax is allocated to CEs in proportion to their share of positive GloBE Income in the jurisdiction.

## Expected Deliverable

### Singapore Entity Allocation

Entity	GloBE Income	Share of Total	Allocated Top-Up Tax
SG Singapore Pte Ltd	€	%	€
SG Singapore Tech Pte Ltd	€	%	€
Total	€	100%	€

### Ireland Entity Allocation

Entity	GloBE Income	Share of Total	Allocated Top-Up Tax
SG Ireland Ltd	€	%	€
SG Ireland IP Ltd	€	%	€
Total	€	100%	€

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# Task 5: IIR Allocation to Parent Entities

## Data Provided (Ownership Details)

### Singapore Ownership Chain:

```
Stratos Group plc (UK) – 100%
└─ SG Holdings Ltd (UK) – 100%
    └─ SG Netherlands BV (Netherlands) – 100%
        └─ SG Singapore Pte Ltd (Singapore) – 100%
            └─ SG Singapore Tech Pte Ltd (Singapore) – 100%
```

### Ireland Ownership Chain:

```
Stratos Group plc (UK) – 100%
└─ SG Holdings Ltd (UK) – 100%
    └─ SG Netherlands BV (Netherlands) – 60% ← 40% held by External Investor A
        └─ SG Ireland Ltd (Ireland) – 100%
            └─ SG Ireland IP Ltd (Ireland) – 100%
```

**Note:** External Investor A is not part of an MNE Group subject to Pillar Two.

## Your Task

Calculate the Allocable Share under IIR for each parent entity in the ownership chain.

### IIR Allocation Formula (Article 2.2):

```
Allocable Share = Entity Top-Up Tax × Inclusion Ratio
Inclusion Ratio = (GloBE Income – Amount to other owners) ÷ GloBE Income
```

## Expected Deliverable

### Singapore IIR Allocation

Step	Calculation	Result
1. Singapore jurisdictional Top-Up Tax	From Task 3	€
2. Stratos's ownership of Singapore entities	Direct + indirect	%
3. Stratos's Inclusion Ratio	(Based on 100% ownership)	%
4. <b>Stratos's Allocable Share (IIR)</b>	Top-Up Tax × Inclusion Ratio	€

### Ireland IIR Allocation

Work through the ownership chain to determine IIR allocation:

Step	Description	Calculation	Result
1	Ireland jurisdictional Top-Up Tax	From Task 3	€
2	SG Netherlands BV ownership of Ireland entities	Direct	%
3	External Investor's share of GloBE Income	40% of Ireland GloBE Income	€
4	Netherlands Inclusion Ratio in Ireland	(Total – External share) ÷ Total	%
5	Netherlands Allocable Share (if Netherlands IIR applies)	Top-Up Tax × Netherlands Ratio	€
6	Stratos's ownership of Netherlands	Via SG Holdings	%
7	<b>Stratos's Allocable Share (IIR)</b>	Netherlands share × Stratos ownership	€

**Question:** Does the 40% external investor portion get collected under IIR?

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## Task 6: Determine if UTPR Applies

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### Your Task

Analyse whether any Top-Up Tax remains uncollected after IIR and determine if UTPR allocation is required.

### Expected Deliverable

#### Singapore Analysis

Item	Value	Notes
A. Total Singapore Top-Up Tax	€	From Task 3
B. IIR Allocable Share (Stratos)	€	From Task 5
C. IIR collection rate	%	$B \div A$
D. Residual for UTPR	€	$A - B$

**Conclusion:** Does UTPR apply to Singapore? \_\_\_\_\_

#### Ireland Analysis

Item	Value	Notes
A. Total Ireland Top-Up Tax	€	From Task 3
B. IIR Allocable Share (Stratos)	€	From Task 5
C. External Investor share	€	40% not collected under IIR
D. IIR collection rate	%	$B \div A$
E. Residual for UTPR	€	$A - B$

**Conclusion:** Does UTPR apply to Ireland? \_\_\_\_\_

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## Task 7: UTPR Allocation (If Applicable)

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### Data Provided

**Stratos Group UTPR Jurisdiction Data (Qualified UTPR jurisdictions only)**

Jurisdiction	Eligible Employees	Tangible Assets (€M)
UK	450	85.0
Netherlands	95	18.5
Germany	185	32.0
France	120	22.5
<b>Total</b>	<b>850</b>	<b>158.0</b>

### Your Task

If UTPR applies (from Task 6), allocate the residual Top-Up Tax across UTPR jurisdictions using the substance-based formula.

**UTPR Allocation Formula** (Article 2.6):

UTPR % = (Employee Factor × 50%) + (Tangible Asset Factor × 50%)

Employee Factor = Jurisdiction employees ÷ Total UTPR employees

Asset Factor = Jurisdiction assets ÷ Total UTPR assets

### Expected Deliverable

#### UTPR Percentage Calculation

Jurisdiction	Employees	Emp Factor	Assets (€M)	Asset Factor	Emp×50%	Asset×50%	U %
UK	450	%	85.0	%	%	%	%
Netherlands	95	%	18.5	%	%	%	%
Germany	185	%	32.0	%	%	%	%
France	120	%	22.5	%	%	%	%
<b>Total</b>	<b>850</b>	<b>100%</b>	<b>158.0</b>	<b>100%</b>			<b>1</b>

**UTPR Allocation of Residual Top-Up Tax**

Jurisdiction	UTPR %	Residual × UTPR %	Allocated UTPR
UK	%	€	€
Netherlands	%	€	€
Germany	%	€	€
France	%	€	€
<b>Total</b>	<b>100%</b>		€

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# Task 8: Complete Top-Up Tax Summary

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**Your Task**

Prepare a summary of all Top-Up Tax allocations for Stratos's FY 2025 GIR filing.

**Expected Deliverable**

**Top-Up Tax Summary by Mechanism**

Source Jurisdiction	Total Top-Up Tax	IIR Amount	UTPR Amount	Collection Rate
Singapore	€	€	€	%
Ireland	€	€	€	%
<b>Total</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>%</b>

### Top-Up Tax by Collecting Jurisdiction

Collecting Jurisdiction	Mechanism	Source	Amount
UK (Stratos Group plc)	IIR	Singapore	€
UK (Stratos Group plc)	IIR	Ireland	€
UK	UTPR	Ireland (residual)	€
Netherlands	UTPR	Ireland (residual)	€
Germany	UTPR	Ireland (residual)	€
France	UTPR	Ireland (residual)	€
<b>Total</b>			<b>€</b>

## Model Answers

### Task 1: ETR Calculation

#### Singapore ETR Calculation

Item	Formula	Answer
A. Total GloBE Income	€12,500,000 + €4,800,000	<b>€17,300,000</b>

Item	Formula	Answer
B. Total GloBE Losses	No losses	<b>€0</b>
C. Net GloBE Income	€17,300,000 – €0	<b>€17,300,000</b>
D. Adjusted Covered Taxes	€1,562,500 + €600,000	<b>€2,162,500</b>
E. ETR	€2,162,500 ÷ €17,300,000	<b>12.50%</b>
F. Low-taxed?	12.50% < 15%	<b>Yes</b>

### Ireland ETR Calculation

Item	Formula	Answer
A. Total GloBE Income	€5,200,000 + €2,100,000	<b>€7,300,000</b>
B. Total GloBE Losses	No losses	<b>€0</b>
C. Net GloBE Income	€7,300,000 – €0	<b>€7,300,000</b>
D. Adjusted Covered Taxes	€650,000 + €262,500	<b>€912,500</b>
E. ETR	€912,500 ÷ €7,300,000	<b>12.50%</b>
F. Low-taxed?	12.50% < 15%	<b>Yes</b>

## Task 2: SBIE Calculation

### Singapore SBIE Calculation

Item	Formula	Answer
A. Eligible Payroll Costs	From data	<b>€14,600,000</b>
B. Payroll Rate (FY 2025)	Transition rate	<b>9.8%</b>

Item	Formula	Answer
C. Payroll Carve-Out	$€14,600,000 \times 9.8\%$	<b>€1,430,800</b>
D. Tangible Assets NBV	From data	<b>€17,300,000</b>
E. Asset Rate (FY 2025)	Transition rate	<b>7.8%</b>
F. Asset Carve-Out	$€17,300,000 \times 7.8\%$	<b>€1,349,400</b>
<b>G. Total SBIE</b>	$€1,430,800 + €1,349,400$	<b>€2,780,200</b>

### Ireland SBIE Calculation

Item	Formula	Answer
A. Eligible Payroll Costs	From data	<b>€5,200,000</b>
B. Payroll Rate (FY 2025)	Transition rate	<b>9.8%</b>
C. Payroll Carve-Out	$€5,200,000 \times 9.8\%$	<b>€509,600</b>
D. Tangible Assets NBV	From data	<b>€3,050,000</b>
E. Asset Rate (FY 2025)	Transition rate	<b>7.8%</b>
F. Asset Carve-Out	$€3,050,000 \times 7.8\%$	<b>€237,900</b>
<b>G. Total SBIE</b>	$€509,600 + €237,900$	<b>€747,500</b>

## Task 3: Top-Up Tax Calculation

### Singapore Top-Up Tax Calculation

Item	Formula	Answer
A. Net GloBE Income	From Task 1	<b>€17,300,000</b>

Item	Formula	Answer
B. ETR	From Task 1	<b>12.50%</b>
C. Top-Up Tax Percentage	15% – 12.50%	<b>2.50%</b>
D. SBIE	From Task 2	<b>€2,780,200</b>
E. Excess Profit	€17,300,000 – €2,780,200	<b>€14,519,800</b>
F. Initial Top-Up Tax	2.50% × €14,519,800	<b>€362,995</b>
G. QDMTT Offset	No Singapore QDMTT	<b>€0</b>
<b>H. Jurisdictional Top-Up Tax</b>	€362,995 – €0	<b>€362,995</b>

#### Ireland Top-Up Tax Calculation

Item	Formula	Answer
A. Net GloBE Income	From Task 1	<b>€7,300,000</b>
B. ETR	From Task 1	<b>12.50%</b>
C. Top-Up Tax Percentage	15% – 12.50%	<b>2.50%</b>
D. SBIE	From Task 2	<b>€747,500</b>
E. Excess Profit	€7,300,000 – €747,500	<b>€6,552,500</b>
F. Initial Top-Up Tax	2.50% × €6,552,500	<b>€163,813</b>
G. QDMTT Offset	Ireland QDMTT paid	<b>€163,813*</b>
<b>H. Jurisdictional Top-Up Tax</b>	€163,813 – €163,813	<b>€0</b>

\*The Ireland QDMTT fully covers the Top-Up Tax due.

**Important Finding:** Ireland has no residual Top-Up Tax for IIR/UTPR because the Irish QDMTT already collects the full amount.

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## Task 4: Entity Allocation Within Jurisdictions

### Singapore Entity Allocation

Entity	GloBE Income	Share of Total	Allocated Top-Up Tax
SG Singapore Pte Ltd	€12,500,000	72.25%	€262,264
SG Singapore Tech Pte Ltd	€4,800,000	27.75%	€100,731
<b>Total</b>	<b>€17,300,000</b>	<b>100%</b>	<b>€362,995</b>

### Ireland Entity Allocation

Entity	GloBE Income	Share of Total	Allocated Top-Up Tax
SG Ireland Ltd	€5,200,000	71.23%	€0*
SG Ireland IP Ltd	€2,100,000	28.77%	€0*
<b>Total</b>	<b>€7,300,000</b>	<b>100%</b>	<b>€0*</b>

\*Ireland Top-Up Tax is €0 after QDMTT offset.

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## Task 5: IIR Allocation to Parent Entities

### Singapore IIR Allocation

Step	Calculation	Result
1. Singapore jurisdictional Top-Up Tax	From Task 3	<b>€362,995</b>
2. Stratos's ownership of Singapore entities	$100\% \times 100\% \times 100\%$	<b>100%</b>
3. Stratos's Inclusion Ratio	No external ownership	<b>100%</b>
4. <b>Stratos's Allocable Share (IIR)</b>	$€362,995 \times 100\%$	<b>€362,995</b>

The UK (Stratos Group plc) applies its Qualified IIR and collects the full €362,995.

#### **Ireland IIR Allocation**

Step	Description	Calculation	Result
1	Ireland jurisdictional Top-Up Tax	From Task 3	<b>€0</b>
2-7	IIR allocation	Not applicable	<b>€0</b>

**No IIR allocation required for Ireland** because the QDMTT has already collected the Top-Up Tax.

**Answer to Question:** The 40% external investor portion is irrelevant in this case because Ireland's QDMTT collected 100% of the Top-Up Tax. If there had been residual Top-Up Tax, the external investor's 40% share would not be collected under IIR (since the investor is not part of an MNE Group). That portion would flow to UTPR.

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## **Task 6: Determine if UTPR Applies**

### **Singapore Analysis**

Item	Value	Notes
A. Total Singapore Top-Up Tax	€362,995	From Task 3
B. IIR Allocable Share (Stratos)	€362,995	From Task 5
C. IIR collection rate	100%	Full collection
D. Residual for UTPR	€0	A – B

**Conclusion:** UTPR does **not** apply to Singapore. The UK IIR collects 100%.

### Ireland Analysis

Item	Value	Notes
A. Total Ireland Top-Up Tax	€0	After QDMTT offset
B. IIR Allocable Share	€0	Nothing to allocate
C. External Investor share	€0	N/A
D. IIR collection rate	N/A	No Top-Up Tax due
E. Residual for UTPR	€0	Nothing remaining

**Conclusion:** UTPR does **not** apply to Ireland. The Irish QDMTT already collected the Top-Up Tax.

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## Task 7: UTPR Allocation

**No UTPR allocation required** for FY 2025 because:

1. Singapore Top-Up Tax: 100% collected under UK IIR
2. Ireland Top-Up Tax: 100% collected under Irish QDMTT

The UTPR calculations are therefore **not applicable** in this case study. The UTPR allocation template is provided for reference if there had been residual Top-Up Tax.

**What If Scenario:** If Ireland did NOT have a QDMTT, the 40% external investor share (€65,525) would flow to UTPR allocation across UK, Netherlands, Germany, and France using the substance-based formula.

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## Task 8: Complete Top-Up Tax Summary

### Top-Up Tax Summary by Mechanism

Source Jurisdiction	Total Top-Up Tax	QDMTT	IIR Amount	UTPR Amount	Collection Rate
Singapore	€362,995	€0	€362,995	€0	100%
Ireland	€163,813	€163,813	€0	€0	100%
<b>Total</b>	<b>€526,808</b>	<b>€163,813</b>	<b>€362,995</b>	<b>€0</b>	<b>100%</b>

### Top-Up Tax by Collecting Jurisdiction

Collecting Jurisdiction	Mechanism	Source	Amount
Ireland (QDMTT)	QDMTT	Ireland	€163,813
UK (Stratos Group plc)	IIR	Singapore	€362,995
<b>Total</b>			<b>€526,808</b>

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## Learning Points

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- QDMTT eliminates IIR/UTPR obligation** — Ireland's domestic top-up tax means Stratos has no additional IIR liability for Ireland, regardless of the 40% external investor.
- The three-step GloBE Calculator workflow matters** — You cannot calculate allocation without first computing ETR (Step 1), SBIE (Step 2), and Top-Up Tax (Step 3).

3. **Jurisdictional blending affects ETR** — Both Singapore entities' income and taxes are combined for a single Singapore ETR of 12.50%.
  4. **SBIE reduces the Top-Up Tax base significantly** — Singapore's SBIE of €2.78M reduced the excess profit from €17.3M to €14.5M, lowering the Top-Up Tax by approximately €70,000.
  5. **100% ownership simplifies IIR** — When the UPE has 100% direct/indirect ownership, the Inclusion Ratio is 100% and all Top-Up Tax is collected under the UPE's IIR.
  6. **External investors create potential UTPR situations** — The 40% external investor in Ireland would have created a UTPR situation if Ireland had no QDMTT.
  7. **Check qualified IIR/UTPR status early** — Knowing that UK has Qualified IIR determined that Stratos Group plc would be the collecting entity.
  8. **Document the complete calculation chain** — The GIR filing requires disclosure of each step: ETR, SBIE, Top-Up Tax, entity allocation, and parent allocation.
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## GIR Filing Integration

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The calculations completed in this case study feed directly into the following GIR sections:

GIR Section	Data Source	This Case Study Task
Section 2: Jurisdictional ETR	ETR by jurisdiction	Task 1
Section 2: SBIE	Payroll and asset carve-outs	Task 2
Section 2: Top-Up Tax	Jurisdictional Top-Up Tax	Task 3
	CE-level Top-Up Tax	Task 4

GIR Section	Data Source	This Case Study Task
Section 3: Entity Allocation		
Section 4: IIR Amounts	Parent Allocable Shares	Task 5
Section 5: UTPR Amounts	UTPR allocation by jurisdiction	Task 7 (if applicable)

Use **GIR-004 GIR Practice Form** to practice entering this data in the official filing format.

## Alternative Scenario: What If Ireland Had No QDMTT?

For additional practice, recalculate Tasks 5-8 assuming Ireland has **no QDMTT**:

**Revised Ireland Top-Up Tax:** €163,813 (no offset)

**Revised IIR Allocation:** - Stratos's 60% share:  $€163,813 \times 60\% = €98,288$   
 (UK IIR) - External Investor's 40%:  $€163,813 \times 40\% = €65,525$  (not collected under IIR)

**UTPR Allocation of €65,525:**

Jurisdiction	UTPR %	Allocated
UK	53.75%*	€35,220
Netherlands	11.85%*	€7,765
Germany	21.22%*	€13,904
France	13.18%*	€8,636
<b>Total</b>	<b>100%</b>	<b>€65,525</b>

\*Based on the 50/50 employee/asset formula from Task 7 data.

This alternative scenario demonstrates the UTPR backstop function when IIR does not achieve full collection.

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## Next Step

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You have completed Part 2: The Charging Mechanism. You understand how to: - Calculate ETR, SBIE, and Top-Up Tax using GIR-001 - Allocate Top-Up Tax to entities within a jurisdiction - Determine parent Allocable Shares under IIR - Apply UTPR when IIR does not achieve full collection

Proceed to **Part 3: Computing GloBE Income or Loss** to learn how to calculate the GloBE Income figures that feed into these calculations.