



BUSINESSatOECD

Business and Industry Advisory  
Committee to the OECD

# Why the OECD International VAT/GST Work Matters for Business

Celebrating the 10<sup>th</sup> Anniversary  
of the OECD International VAT/GST Guidelines

Policy Brief  
**January 2026**

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# Introduction

*Business at OECD* (BIAC), on the occasion of the 6th Meeting of the OECD Global Forum on VAT, 26–28 January 2026 in Paris, celebrates the 10th anniversary of the OECD International VAT/GST Guidelines and underlines the importance of the global dialogue on VAT/GST led by the OECD.

Established in 1962, *Business at OECD* is the officially recognised institutional business stakeholder at the OECD. We stand for policies that enable businesses of all sizes to contribute to economic growth, sustainable development, and societal prosperity. Through *Business at OECD*, national business and employers' federations representing over 11 million companies provide perspectives to cutting-edge OECD policy debates that shape market-based economies and impact global governance. Our expertise is enriched by the contributions of a wide range of international sector organisations.

Business looks to the OECD as the recognized leading international organization in developing evidence based international tax policy and guidance including for VAT/GST, which promotes economic activity and international trade and supports internationally coherent policies that reduce uncertainty and ease compliance for business.

This paper provides an overview of active business engagement with the OECD over the past years addressing VAT/GST related issues, highlights the value of the OECD International VAT/GST Guidelines and its follow up work on VAT/GST and digital trade, and outlines important issues ahead for business to ensure sound and positive implementation of VAT/GST rules in the evolving and dynamic economic context.

# 1. The OECD VAT/GST Technical Advisory Group (TAG): A Model for Cooperation

The OECD VAT/GST Technical Advisory Group (TAG) was established almost two decades ago as an informal platform to facilitate regular engagement between tax authorities and the business community coordinated through *Business at OECD* (BIAC), to support the OECD's global VAT/GST policy dialogue. This way of working has resulted in a highly successful consultative VAT/GST process that has become well established and highly appreciated by the business community and tax administrations.

The VAT/GST TAG business members provide technical expertise, and practical business input and perspectives to the OECD Centre for Tax Policy and Administration, the OECD's Working Party on Consumption Taxes (WP9) and the Global Forum on VAT in support of work to design effective and sustainable VAT/GST tax policies. VAT/GST has been among the fastest developing taxes globally in the last 60 years during which it has become an increasingly critical revenue source for the over 170 countries in the world that operate a type of VAT/GST system.

Through their contribution to the TAG, Business TAG members help to ensure that the OECD's work on VAT/GST reflect business realities and evolving business models and that tax policy fosters international trade, limits risk of trade distortion, enhances compliance and administrative efficiency while safeguarding government revenues.

The Business TAG members come from a wide range of industries with deep technical expertise in indirect tax and share their expert perspectives in the context of the *Business at OECD* Tax Committee work including to advocate the important role of the OECD in leading an inclusive international VAT/GST dialogue.

Business TAG members also contribute actively to the Global Forum on VAT, which was created in 2012 by the OECD and which

is a unique platform for a truly global and inclusive VAT/GST policy debate involving all interested countries (OECD and non-member countries), *Business at OECD* and other stakeholders. This ensures that consensus on best-practice solutions is broadened beyond the OECD membership.

## 2. The International VAT/GST Framework Based on the OECD VAT/GST Guidelines: Why it Matters

In 2026 we celebrate the 10th anniversary of the adoption of the International VAT/GST Guidelines as a Recommendation by the Council of the OECD. The business community through the TAG process has been involved in the development of the International VAT/GST Guidelines development from the start. They were endorsed in 2015 by the Global Forum on VAT by over 100 delegations from countries and international organisations worldwide.

This international VAT/GST Framework is a key milestone in international VAT/GST, presenting a set of internationally agreed standards and recommended approaches based on 2 fundamental principles:

- The destination principle, and;
- The neutrality principle.

These principles address issues that could arise from the uncoordinated application of national VAT systems in the context of international trade. Importantly they contribute to:

- Mitigating incidents of double taxation;
- Ensuring VAT neutrality;
- Creating a level playing field between local and foreign suppliers, and;
- Keeping compliance burdens and costs for businesses as low as possible through a simple and internationally consistent implementation of the internationally agreed standards and approaches.

This international VAT/GST framework also includes recommended principles and mechanisms regarding the collection of VAT on cross-border sales of digital products that

had been identified in the context of the OECD/G20 Project on Base and Erosion and Profit Shifting (BEPS) - Action 1 (Digital Economy).

### OECD VAT/GST Work on Digital Trade

In follow up to the work on the International VAT/GST Guidelines and with the fast-growing e-commerce sector in mind, through the TAG process, businesses have also supported the OECD in developing further guidance on VAT/GST and digital trade, reflected in the following reports:

- The Report on Mechanisms for the Effective Collection of VAT/GST in 2017;
- The report on the Role of Digital Platforms in the Collection of VAT/GST on Online Sales in 2019;
- The report on the impact of the Growth of the Sharing and Gig Economy on VAT/GST Policy in 2021.

The OECD also developed a number of VAT Digital Toolkits with its partners for 3 regions including Latin America (2021), Asia (2022) and Africa (2023). These serve as important tools to help countries including OECD non-members with the implementation of the OECD VAT/GST recommendations on digital trade into their national VAT/GST systems in a simple and internationally consistent way, which is key for safeguarding national VAT/GST revenues for governments and also for keeping compliance costs as low as possible for businesses.

These recommendations have been implemented to date by over 100 countries in the world, which is a major success.

### 3. Ongoing and Future OECD VAT/GST Work

The TAG continues to support OECD work on a range of emerging issues including:

- E-invoicing and digital continuous transactional reporting for VAT/GST (DCTR);
- The crypto-asset economy;
- The collection and use of payment data to support VAT/GST compliance risk management.

Business looks forward to continuing its engagement with the OECD with a view to further support on topics including towards:

- Proper use of technology to ease compliance - clarifying what technology can and cannot achieve, why proper policy design is more important than ever to support automation and proper use of technology;
- A coherent implementation of the OECD's recent report on Digital Continuous Transactional Reporting for VAT/GST purposes;
- Cooperative compliance approaches for VAT/GST;
- Proportionality and consistency in countries' regime to collect and use payment data to enhance VAT/GST compliance risk management, safeguarding data security and privacy and minimizing risks of disproportionate compliance burden;
- Greater certainty on the VAT/GST treatment of the crypto-asset economy.

The continued international dialogue led by the OECD with the involvement of businesses and interested non-OECD countries will remain critically important, in increasingly complex and digitalised economies.

In this context, Business recommends that priorities for future global VAT/GST dialogue facilitated by the OECD could include the following:

- Monitoring the implementation of the International VAT/GST Guidelines and sharing experiences and best practices and learnings, including how to ensure the proper and coherent application of the fundamental principles, VAT/GST neutrality and destination-based taxation, in practice (such as the VAT/GST free treatment of exported services);
- Monitoring and sharing experiences and best practices for the application of the OECD's guidance on VAT/GST and digital trade in practice, including the simplified registration and compliance regime for non-established businesses (e.g. how to keep it simple and coherent across jurisdictions, while avoiding complexity and undue compliance costs for businesses);
- Continuing to raise awareness of the importance of business consultation and appropriate lead time both for businesses and tax administrations when implementing VAT/GST reform (both for of new rules and improvement of existing rules).

## 4. Looking Ahead: Underlining the Value of the OECD VAT/GST Multistakeholder Process

The OECD's work to develop and advance implementation of the international VAT/GST Guidelines including its follow-up work on digital trade has been a major success.

The international business community coordinated by *Business at OECD* greatly appreciates this OECD work on international VAT/GST, and would like to thank OECD, the country delegates and the Global Forum on VAT for involving the business community in its VAT/GST work in an inclusive way from initial policy formation to implementation.

This inclusive approach has been an important cornerstone of the OECD's success in organising the international VAT/GST dialogue and delivering consensus-based standards and guidance.

Looking ahead, much work remains to be done. *Business at OECD* encourages and calls for the OECD, through its Working Party No. 9 and the Global Forum on VAT, to continue along the successful path of inclusive international VAT/GST dialogue to help build the VAT/GST systems of the future.

The OECD can count on the full support of the business community through *Business at OECD (BIAC)*.

# **Business at OECD (BIAC) National Members**

Australia  
Austria  
Belgium  
Canada  
Chile  
Colombia  
Costa Rica

Costa Rica  
Czech Republic  
Denmark  
Denmark  
Estonia  
Finland  
France  
Germany  
Germany  
Greece  
Hungary

Hungary  
Iceland  
Ireland  
Israel  
Italy  
Italy  
Italy  
Japan  
Korea  
Latvia  
Lithuania  
Luxembourg  
Mexico  
Netherlands

New Zealand  
Norway  
Portugal  
Poland  
Slovakia  
Slovenia  
Spain  
Sweden  
Switzerland  
Switzerland  
Türkiye  
Türkiye  
Türkiye  
United Kingdom  
United States

**ACCI: Australian Chamber of Commerce and Industry**  
**IV: Federation of Austrian Industries**  
**VBO FEB: Federation of Belgian Enterprises**  
**Canadian Chamber of Commerce**  
**CPC: Confederation of Production and Commerce of Chile**  
**ANDI: National Business Association of Colombia**  
**UCCAEP: Costa Rican Union of Chambers and Associations of the Private Business Sector**  
**CICR: Chamber of Industries of Costa Rica**  
**SP: Confederation of Industry of the Czech Republic**  
**DA: Danish Employers' Confederation**  
**DI: Confederation of Danish Industry**  
**Estonian Employers' Confederation**  
**EK: Confederation of Finnish Industries**  
**MEDEF: Movement of the Enterprises of France**  
**BDA: Confederation of German Employers' Associations**  
**BDI: Federation of German Industries**  
**SEV: Hellenic Federation of Enterprises**  
**MGYOSZ: Confederation of Hungarian Employers and Industrialists**  
**VOSZ: Confederation of Hungarian Business**  
**SA: Confederation of Icelandic Enterprise**  
**Ibec: Irish Business and Employers Confederation**  
**MAI: Manufacturers' Association of Israel**  
**assonime: The Association of Italian Joint Stock Companies**  
**CONFINDUSTRIA: General Confederation of Italian Industry**  
**FeBAF: Italian Banking Insurance and Finance Federation**  
**Keidanren: Japan Business Federation**  
**FKI: Federation of Korean Industries**  
**LDDK: Employers' Confederation of Latvia**  
**LPK: Lithuanian Confederation of Industrialists**  
**FEDIL: The Voice of Luxembourg's Industry**  
**COPARMEX: Employers Confederation of the Mexican Republic**  
**VNO-NCW: Confederation of Netherlands Industry and Employers**  
**BusinessNZ**  
**NHO: Confederation of Norwegian Enterprise**  
**CIP: Confederation of Portuguese Business**  
**Polish Confederation Lewiatan**  
**RÚZ: National Union of Employers of Slovakia**  
**ZDS: Association of Employers of Slovenia**  
**CEOE: Confederation of Employers and Industries of Spain**  
**Svenskt Näringsliv: Confederation of Swedish Enterprise**  
**economiesuisse: Swiss Business Federation**  
**Swiss Employers Confederation**  
**TİSK: Turkish Confederation of Employer Associations**  
**TOBB: Union of Chambers and Commodity Exchanges of Türkiye**  
**TÜSİAD: Turkish Industry and Business Association**  
**CBI: Confederation of British Industry**  
**USCIB: United States Council for International Business**

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