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Does the hypothesis of a global minimum taxation on major corporations scare the shipping world?

At the G7 meeting ended on 13 June, an initial agreement was reached on the possibility of adopting a taxation system that would oblige multinationals to pay part of their taxes in the countries where the profit is actually made and not just where they are based, with the clear aim of stopping the race to the bottom in taxes and fiscal paradises.

The proposal, which will have to be examined by the G20, would consist of applying a rate yet to be determined but around 15%-20% on surpluses over 10% of the profit margin, applicable to companies with annual gross revenues of more than USD 750 million.

At the moment it is not possible to make a probabilistic judgment on how and when this initial draft could become an agreement in force, given the large number of countries to which the agreement would need to be extended.

The possible entry into force of such a tax regime would have a major impact on the shipping industry, but on the other hand, it would be very difficult to implement in practice.

The main difficulty lies in the issue of localizing the profit since the current principle that the profit is localized in the state where the company is based would have to be changed.

This would make it very difficult to identify the fraction of tax to be paid to the various countries with which the ship has had links.

Such taxation, given the variability of costs and profits, would affect periods of favorable market conditions, depriving companies of the profits they need to cope with the less profitable periods.

The rebalancing function that this taxation model could have is not to be understimated, with a minimum application threshold of $750 million of gross revenues, which would not affect small and medium-sized companies, giving them greater opportunities in terms of competitiveness in a global market now dominated by the large shipping corporations.

Already within the G7, this taxation model has met with opposition, with Great Britain refusing to apply the taxation model to the shipping field, Germany, on the other hand, argues that not extending the scope of a global tax model to certain sectors would be contradictory.

At the moment, the only certainty is that this taxation model is unlikely to be applied in the coming years, both because it will be difficult to find a global agreement (unlikely that the project will be carried out by a small number of states), and because of the enormous difficulties that would have to apply such a tax regime to a dynamic sector such as shipping industry.Il 24

Genova
Via XX Settembre, 14/17
16121 Genova
Tel. +39 010 586841

SL|M
Studio Legale Mordiglia
Tel. +39 02 36576390

Venezia
San Polo 720
30125 Venezia
Tel. +39 041 2412865

mail@mordiglia.it
www.mordiglia.it