



UNIVERSITÄT
BAYREUTH

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Syllabus

Seminar on Political Economy

„Global Corporate Taxation and Governance after BEPS 2.0“

1. Dates, times and room

- July 01, 15:00-19:00
- July 02, 12:00-19:00
- July 03, 08:30-18:00
- Room: S67

2. Content

The OECD/G20 Project on Tax Base Erosion and Profit Shifting (or BEPS Project) is aimed at creating an international framework to combat tax avoidance by multinational enterprises (MNEs) using tax base erosion and profit shifting instruments. The project, led by the OECD Committee on Fiscal Affairs, began in 2013 with OECD and G20 countries amid the financial crisis and tax affairs (e.g., offshore leaks). Currently the project is under implementation, with more than one hundred countries involved, including most developing countries. The “BEPS package” has been developed by participating members on an equal footing, as well as by extensive consultations with jurisdictions and stakeholders, including businesses, academics, and civil society. Since 2016, the OECD/G20 Inclusive Framework on BEPS has provided a platform for its 140 members to work on an equality plan to address BEPS, including through peer review of the BEPS minimum standards and monitoring the implementation of the BEPS package.

In this course, we will review and discuss the profit shifting of MNEs and the main steps of the BEPS project, starting from the EU work on capital taxation in the framework of the crisis of the international tax rule system, which led to the “season of conflict” between the two sides of the Atlantic. We will study the main content of the BEPS 2.0 project: Pillar One and Pillar Two. Pillar One, which applies to large multinationals, will reallocate certain amounts of taxable income to market jurisdictions, resulting in a change in effective tax rate and cash tax obligations. The timing for the introduction of Pillar One is unknown and depends on its acceptance by a critical mass of jurisdictions. Pillar Two aims to ensure that the MNE income is taxed at an appropriate rate, independently of its geographical allocation, and has several mechanisms to ensure this tax is paid.

The course examines the transformation of international corporate taxation from the original BEPS agenda to BEPS 2.0, with particular emphasis on: (i) the implementation of Pillar Two in the European Union and across major jurisdictions; (ii) the still incomplete trajectory of Pillar One / Amount A; and (iii) the European Commission’s proposal for Business in Europe: Framework for Income Taxation (BEFIT), including the most recent institutional and academic debate.

Students will discuss both positive and normative questions: how much profit shifting remains possible after recent reforms, how minimum taxation affects tax competition and investment incentives, and whether a common EU tax base can simplify compliance without undermining national sovereignty.

3. Target Group

The participants of this seminar should have a solid understanding of how to read and interpret econometric output. It is preferably (but not strictly necessary) that participants are familiar with basic concepts of public finance, especially regarding corporate income taxation.

The target group are master students in Economics, Internationale Wirtschaft & Governance, Philosophy & Economics, Development Studies as well as History & Economics for the respective modules linked with this seminar.

Advanced Bachelor students may also participate if they have some experience in empirical analysis. Please note that master students receive priority in the case of overbooking.

4. Accreditation

Students can earn credit points for the following degree programs:

- Economics (M.Sc.): „Theorie und Empirie der gesellschaftlichen Entwicklung“, „Volkswirtschaftliche Spezialisierung“

- Internationale Wirtschaft und Governance (M.A.): „Theorie und Empirie der gesellschaftlichen Entwicklung“
- Philosophy & Economics (M.A.): „Specialization“
- Development Studies (M.A.): D2, D3, F3
- History & Economics (M.A.): „Theorie und Empirie der gesellschaftlichen Entwicklung“
- Bachelor: depending on their program

5. Evaluation

Seminar participants are required to prepare a written seminar paper (approx. 3,000 words for Master students and 2,000 words for Bachelor students) on a research article of choice (from provided list).

Possible term-paper topics are:

- Has Pillar Two reduced the gains from profit shifting? Evidence and identification challenges
- Qualified domestic minimum top-up taxes and the new geography of tax competition
- Pillar One after 2023: why has Amount A proved so difficult to implement?
- BEFIT versus CCCTB: continuity, innovation and political constraints
- Tax incentives under a 15% minimum tax: are non-refundable credits and substance carve-outs the new margin of competition
- Who gains from BEFIT's temporary allocation formula? A conceptual or empirical assessment
- Interaction between transfer pricing, formulary elements and minimum taxation in the EU

6. Organization & Pre-Registration

- Lecturer: Professor Dr. Giuseppe Di Liddo (Guest Professor)
- The lecturer will introduce the students to the topics of the course to prepare them for the term paper. Active participation during the classes is expected.
- The seminar is limited to 15 participants.
- Pre-Registration until Friday, June 21 is required for organizational purposes via the following form:

<https://forms.gle/zQjJFAZy5veqhjC6A>

- For remaining questions regarding the content or organization of the seminar, please send an email to the lecturer at giuseppe.diliddo@uniba.it.

7. Literature

Students are required to select one article from the following list as a topic for their term paper. They are further required to search for additional literature when preparing their course work.

1. Alstadsæter, A. - Godar, S. - Nicolaidis, P. - Zucman, G. (2024). Global Tax Evasion Report 2024. EUTAX observatory.
2. Asen, E. (2021). What we know: Reviewing the academic literature on profit shifting. *Tax Notes Federal*, 171: 1211-1223.
3. Baraké, M. - Chouc, P.-E. - Neef, T. - Zucman, G. (2022). Revenue effects of the global minimum tax under pillar two. *Intertax*, 50(10): 689–710.
4. Baraké, M. - Le Pouhaër, E. (2023). Tax revenue from pillar one amount a: Country-by-country estimates. EU Tax Observatory. Paris School of Economics. WORKING PAPER, 2023-12.
5. Clausing, K. A. (2020). How big is profit shifting? Available at SSRN 3503091.
6. Dharmapala, D. (2014). What do we know about base erosion and profit shifting? A review of the empirical literature. *Fiscal Studies*, 35(4): 421-448.
7. Devereux, M. P. - Auerbach, A. J. - Keen, M. - Oosterhuis, P. - Schön, W. - Vella, J. (2021). Destination-Based Cash Flow Taxation. In *Taxing Profit in a Global Economy*. Oxford University Press.
8. Devereux, M. P. - Simmler, M. (2021). Who will pay amount A? Technical report, EconPol Policy Brief.
9. Hines Jr, J. R. (2014). How serious is the problem of base erosion and profit shifting?. Available at: <https://repository.law.umich.edu/articles/1379>.
10. Mason, R. (2023). Legal Problems with Digital Taxes in the United States and Europe. In Elliffe, C., *International Tax at the Crossroads Institutional and Policy Reform in the Era of Digitalisation*. Edward Elgar.
11. OECD (2022a). Progress Report on Amount A of Pillar One, Two-Pillar Solution to the Tax Challenges of the Digitalisation of the Economy, OECD/G20 Base Erosion and Profit Shifting Project. OECD Publishing, Paris.
12. OECD (2022b). Tax Challenges Arising from the Digitalisation of the Economy Commentary to the Global Anti-Base Erosion Model Rules (Pillar Two). OECD Publishing, Paris.
13. OECD (2022c). Tax Incentives and the Global Minimum Corporate Tax: Reconsidering Tax Incentives After the GloBE Rules. OECD Publishing, Paris.
14. OECD (2022d). Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022. OECD Publishing, Paris.

15. O'Reilly, P. - Hanappi, T. - Delpuch, S. - Hugger, F. - Whyman, D. (2023). Update to the economic impact assessment of pillar one: OECD/G20 base erosion and profit shifting project. OECD Taxation Working Papers, 66.
16. Perry, V. J. (2023). Pillar 2: tax competition in low-income countries and substance-based income exclusion. *Fiscal Studies*, 44(1): 23–36.
17. Tørsløv, T., Wier, L., & Zucman, G. (2023). The missing profits of nations. *The Review of Economic Studies*, 90(3): 1499-1534.
18. European Commission (2023). Proposal for a Council Directive on Business in Europe: Framework for Income Taxation (BEFIT), COM(2023) 532 final.
19. European Parliamentary Research Service (2024). BEFIT – Business in Europe: Framework for income taxation. Legislative briefing.
20. European Parliament (2025). Report on the proposal for a Council directive on Business in Europe: Framework for Income Taxation (BEFIT).
21. Hohenwarter, D., & Mayr, G. (2024). Pillar Two and BEFIT: Shocks and Opportunities for the EU Internal Market. European Taxation.
22. Blaakman, S. (2024). The Tax Base in BEFIT and Pillar Two: Harmony, Dissonance or Off-Key?
23. Optional discussion pieces: EESC opinion on BEFIT (2024); selected policy notes from business and civil-society stakeholders.