



Pillar 2 Group

Web www.gov.uk

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Our Ref PILLAR2/UPDATE4

Dear Customer

UK adoption of Organisation for Economic Cooperation and Development (OECD) Pillar 2

Our information suggests that your business may be in scope of Domestic Top-up Tax (DTT) and Multinational Top-up Tax (MTT). The UK government introduced these taxes from 31 December 2023.

Please check how these taxes may affect your group and what you need to do to comply with them. You may need to register for Pillar 2.

You should show this letter to your group's:

- UK Senior Accounting Officers
- Chief Financial Officer
- employees responsible for your international accounting and tax compliance

This is our fourth Pillar 2 update. It includes:

- details of upcoming webinars
- registration requirements, such as how to register and when
- reporting obligations
- OECD updates
- updated HMRC guidance
- UK Pillar 2 legislation
- an update on our online service

Previously issued updates, policy papers and consultations can be found on our Pillar 2 collections page. For more information, go to GOV.UK and search '[MTT collection](#)'.

If you need extra support, for example if you have a disability, a mental health condition, or do not speak English/Welsh, go to www.gov.uk and search for 'get help from HMRC'.
Text Relay service prefix number – 18001

Sign up for updates by email

Over a third of affected businesses get Pillar 2 updates from us by email. If you don't currently receive information from us by email, consider signing up. Then we can share updates directly with relevant contacts within your group, including those responsible for global Pillar 2 implementation. We can send emails to those based outside the UK as well as those in the UK.

If you haven't done so already, please email us if:

- you want to receive Pillar 2 updates, guidance and event information by email, to help your business prepare for the changes
- you're not sure if you're in scope of MTT and DTT and would like to discuss this with us
- your group has received this update more than once, so we can update our records

Our email address is pillar2mailbox@hmrc.gov.uk

Getting advice

If you have a tax adviser, you may want to discuss this with them. We share these updates with advisers who might represent groups in scope of Pillar 2 and ask them how we can best support affected businesses.

Yours faithfully

Clare Walsh

Pillar 2 Technical Lead

To find out what you can expect from us and what we expect from you go to www.gov.uk/hmrc/hmrc-charter and have a look at 'HMRC Charter'.



Webinars

We're offering webinars in the Spring and Summer of 2025 to help businesses prepare for their Pillar 2 obligations. These will cover the scope of the legislation, reporting obligations and transitional safe harbours. Our first webinar will be on Wednesday 30 April at 11:45.

To sign up to the webinar:

1. Go to GOV.UK and search 'Webinars for tax agents'.
2. Select 'HMRC email updates, videos and webinars for tax agents and advisers'.
3. Select '[Organisation for Economic Co-operation and Development \(OECD\) Pillar 2 – Scope and UK compliance obligations](#)'.
4. Select the link to register for the next live webinar.

Webinars will be recorded and available to view after the event on GOV.UK. If you have suggestions for topics you'd like us to cover in future webinars, please email us at pillar2mailbox@hmrc.gov.uk

Registration requirements

All businesses in scope of Pillar 2 taxes must register using our Pillar 2 online service. Even if you don't think the group will have to pay any top-up tax, it must register if it has (both):

- at least one entity in the UK
- consolidated group annual revenues of 750 million euros or more, in at least 2 of the previous 4 accounting periods

'Groups' also includes single entities.

Groups with an ultimate parent outside the UK must register regardless of whether the jurisdiction of the Ultimate Parent Entity (UPE) implements Pillar 2.

There is a single registration process for MTT and DTT. A group only needs to register once - it's not an annual requirement.

When to register by

A group must register no later than 6 months after the end of the first accounting period in which it's subject to the rules. For example, if a group's accounting period ended 31 December 2024, it must register by 30 June 2025.

If a qualifying group doesn't register on time, it may be liable to a penalty under Schedule 41 Finance Act 2008.

How to register

Only the filing member for the group should use the online service. This will be the UPE unless it nominates another group entity. For example, groups with an overseas UPE may wish to nominate a UK group member to be the filing member. Agents and tax advisers can't register on a group's behalf.

Registration for the '[Report Pillar 2 top-up taxes](#)' digital service uses a Government Gateway account. You should always use your own account, not your tax adviser's credentials. To set up a [Government Gateway account or sign in](#), please go to GOV.UK and search 'HMRC online services'.

Once you've signed in to the Government Gateway, registration is simple. You don't need to give us any financial information. All you need is:

- details of the UPE
- details of the filing member if it's not the UPE
- confirmation of whether the group has entities only in the UK, or in the UK and other jurisdictions
- contact details for the person or tax team responsible for filing returns
- the accounting period start and end dates

When you register, you'll get a Pillar 2 reference number. Please make a note of it and the date you register. You may wish to use the print page function to save a PDF, as you won't receive a registration email confirmation. You'll need this information if you want to contact us later.

Reporting obligations

The filing member will be the primary point of contact for HMRC in relation to Pillar 2 taxes.

The filing member will be responsible for:

- registering with HMRC for MTT and DTT
- notifying HMRC of any changes to the filing member
- submitting the GloBE Information Return (GIR) or Overseas Return Notification (ORN)
- submitting a UK Self Assessment return or Below Threshold Notification (BTN)
- making or revoking elections
- ensuring the group keeps accurate records

GloBE Information Return

A GloBE Information Return (GIR) is a standardised return that will facilitate the global administration of the Pillar 2 rules. All groups in scope of Pillar 2 must file one for every accounting period that the group is in scope.

The GIR will have a general section and multiple jurisdictional sections based on one template that needs to be completed for every jurisdiction where the group operates. The general section asks for information about the group, the filing Constituent Entity, and an outline of the corporate structure. A summary table requires a high-level overview of the application of the GloBE rules in every jurisdiction where the Multinational Enterprise (MNE) Group operates.

The jurisdictional sections ask for limited information about jurisdictions where relevant safe harbours and exclusions apply. For jurisdictions where safe harbours and exclusions don't apply, the group will report its Effective Tax Rate (ETR) computations, Top-up Tax computations if necessary, and the allocation of Top-up Tax. Recent OECD updates give more detail about the format of the GIR (see below).

If certain conditions are met, groups will be able to use central filing. Under central filing, the group will file the GIR with one tax administration, which will then share the relevant information with the other jurisdictions that are entitled to receive it. In order for central filing to be possible, the entity that files the GIR must be located in the jurisdiction that will carry out the exchange of the GIR with the other jurisdictions.

If a group files a GIR with a tax administration outside the UK, and expects that tax administration to provide it to HMRC, the group must file an Overseas Return Notification (ORN) in the UK, advising where it filed the GIR.

A group has 18 months to submit the GIR (or ORN) for the first accounting period it's subject to Pillar 2 taxes. For example, for the accounting period ended 31 December 2024 the filing date for the GIR will be 30 June 2026. After that, the group must submit a GIR or ORN to HMRC within 15 months of the end of the accounting period. There are special rules for short accounting periods so that no GIR or ORN needs to be submitted before 30 June 2026.

UK Self Assessment return

One UK Self Assessment return will cover both MTT and DTT. It will include the group's total MTT and DTT liability as well as the liability for each UK member of the group for the period. It won't contain detailed calculations to determine the amount of tax owed - these will be in the GIR. It also won't require a list of UK members of the group without a liability.

All registered groups must submit a Self Assessment return, regardless of whether the jurisdiction of the UPE implements Pillar 2. This includes groups that don't have an MTT or DTT liability.

The deadline for filing the UK Self Assessment return is always the same as for the GIR or ORN.

If a group stops being a qualifying group, it can submit a Below Threshold Notification and will no longer need to submit a Self Assessment return.

OECD Updates

Since our last Pillar 2 update the OECD Inclusive Framework has been working on the standardised GIR and further administrative guidance.

As part of this, the Inclusive Framework has streamlined the co-ordinated administration of the global minimum tax. On 15 January 2025, it released details of legislation receiving qualified status under the peer review process, and other tools, including:

- updates to agreed administrative guidance on articles 8.1.4, 8.1.5 and 9.1 of the GloBE rules
- an update to the standardised GIR, a supporting XML schema and a Multilateral Competent Authority Agreement (MCAA) to facilitate central filing and exchange of the GIR.

Please read these [updated publications](#). They'll give more details on what you'll need for the GIR and the format of the return. To find them, go to www.oecd.org and search 'Pillar two'.

HMRC Guidance

We published a supplementary document of draft HMRC guidance on 28 January 2025, which includes:

- new provisions introduced in the current Finance Bill, including the Undertaxed Profits Rule (UTPR)
- provisions significantly amended by the current Finance Bill
- joint venture groups
- flow-through entities
- specifics for the insurance sector
- additional top-up amounts and post-filing adjustments of covered taxes
- pages that have been significantly amended following previous consultation responses

We're currently accepting comments on this and earlier draft guidance. Please submit comments by 8 April 2025.

Following feedback in this consultation window, we'll publish the full guidance manual in mid-2025.

To see the draft guidance, go to GOV.UK and search 'Multinational Top-up Tax supplementary draft guidance'. You'll find previous consultations on guidance via the collection page, go to GOV.UK and search '[MTT collection](#)'.

Legislation

The UK legislation that implements MTT and DTT is contained in:

- Finance (No.2) Act 2023
- Finance Act 2024
- Finance Act 2025.

[Finance Act 2025](#) also formally introduces the legislation to bring the Undertaxed Profits Rule (UTPR) into effect for periods starting on or after 31 December 2024.

HMRC online service

We're continuing to develop our online service to enable businesses to meet their MTT and DTT obligations. You can use this service now to fulfil your registration obligations, as detailed above.

The latest release was 20 November 2024, and included:

- the functionality to change a filing member
- enabling payments and repayments
- adding Pillar 2 to Agent Services

We're releasing the service in stages, with functionality to file returns and make notifications to follow, in advance of legislative requirements.

We're working with third-party software providers to support you in complying with your UK obligations. You will need to use software for some of your submissions. We'll tell you more about this in future updates. We'd also welcome more businesses helping us to further develop the online service. Please get in touch if you'd like to take part.

If you have any questions, or suggestions about what you'd find useful to cover in future updates, please email us at pillar2mailbox@hmrc.gov.uk