

INTERNAL REVENUE SERVICE
LARGE BUSINESS AND INTERNATIONAL DIVISION
COMPETENT AUTHORITY STATISTICS

April 30, 2014

The Office of the United States Competent Authority (USCA) includes both the Advance Pricing and Mutual Agreement (APMA) Program and the Treaty Assistance and Interpretation Team (TAIT). APMA has primary responsibility for cases arising under the business profits and associated enterprises articles of U.S. income tax treaties and TAIT has primary responsibility for cases arising under all other articles of U.S. income tax treaties, including, but not limited to, articles concerning residence, dividends, interest, royalties, income from employment, social security, annuities, pensions and pension funds, other income, and limitation on benefits. TAIT also handles cases arising under U.S. estate and gift tax treaties.

This report contains statistics on cases handled by both APMA and TAIT including information on requests received, cases resolved, and pending cases. Advance Pricing Agreement (APA) information is reported separately in the APA statutory report. The cases discussed in this report are requests for relief from double taxation as described in Revenue Procedure 2006-54 and commonly referred to as mutual agreement procedure (MAP) requests. Part I presents APMA's statistics for MAP requests concerning allocation and attribution of business profits; Part II presents TAIT's statistics for MAP requests arising under all other treaty articles, including requests for discretionary determinations under limitation on benefits provisions. For 2013, statistics reported for TAIT generally do not include TAIT's work on MAP cases arising under permanent establishment articles since these cases typically also involve an analysis or consideration of attribution of business profits and therefore are now included in APMA's statistics. In addition, beginning in 2013, TAIT's statistics now include MAP matters that are not taxpayer specific (e.g., matters endeavoring to resolve any difficulties or doubts arising as to the interpretation or application of a U.S. income tax treaty).

The data for 2009 through 2012 depicted in the following tables was calculated on a fiscal year basis covering the period October 1 through September 30. Because the USCA now tracks its statistics on a calendar year basis, this report provides a transition from the historical fiscal year basis to the calendar year basis. Therefore, the numbers reported for 2013 cover the fifteen month period of October 1, 2012 through December 31, 2013.

Part I. APMA

Table 1: Requests Received

	U.S. Initiated Adjustments	Foreign Initiated Adjustments	Combined
2009	24	134	158
2010	23	77	100
2011	25	141	166
2012	51	130	181
2013	48	218	266

Table 2: Cases Resolved

	U.S. Initiated Adjustments	Foreign Initiated Adjustments	Combined
2009	30	55	85
2010	31	115	146
2011	18	119	137
2012	16	74	90
2013	40	119	159

Table 3: Case Resolutions 2013

	U.S. Initiated Adjustments	Foreign Initiated Adjustments	Combined
Case Withdrawn by Taxpayer	5	9	14
Total Adjustment Withdrawn by Initiating Tax Authority	18	18	36
Full Correlative Relief	11	19	30
Partial Correlative Relief and Partial Withdrawal (Full Relief)	5	59	64
Partial Correlative Relief or Partial Withdrawal (Partial Relief)	1	7	8
No Relief	0	7	7
Number of Cases	40	119	159

Table 4: Case Resolutions by Adjustment Amounts¹ 2013

	U.S. Initiated Adjustments	Foreign Initiated Adjustments	Combined
Case Withdrawn by Taxpayer	4.4%	9.6%	8.6%
Total Adjustment Withdrawn by Initiating Tax Authority	5.1%	5.6%	5.5%
Full Correlative Relief	86.6%	4.0%	19.1%
Partial Correlative Relief and Partial Withdrawal (Full Relief)	3.9%	46.8%	39.0%
Partial Correlative Relief or Partial Withdrawal (Partial Relief)	0.0%	9.2%	7.6%
No Relief	0.0%	24.7%	20.2%
Percentage of Adjustment Amount	100%	100%	100%

Table 5: Average Processing Time (months)

	U.S. Initiated Adjustments	Foreign Initiated Adjustments	Combined
2009	29.4	24.3	26.1
2010	25.6	30.8	29.7
2011	28.2	27.8	27.9
2012	23.1	26.6	26.0
2013	23.8	26.9	26.1

Table 6: Pending Requests

	U.S. Initiated Adjustments	Foreign Initiated Adjustments	Combined²
2009	-	-	329
2010	-	-	283
2011	-	-	312
2012	-	-	403
2013	91	433	524

¹ Figures represent a percentage of the total dollar adjustments.

² Reports prior to 2013 did not break down the combined number of pending requests by type of adjustment so combined totals cannot be reported in that manner for 2009-2012.

Part II. TAIT

Table 7: Requests Received

	U.S. Initiated Cases/Matters	Foreign Initiated Cases/Matters	Combined
2009	45	41	86
2010	31	48	79
2011	23	48	71
2012	18	37	55
2013	77	60	137

Table 8: Cases Resolved

	U.S. Initiated Cases/Matters	Foreign Initiated Cases/Matters	Combined
2009	22	20	42
2010	23	41	64
2011	46	58	104
2012	16	34	50
2013	53	49	102

Table 9: Average Processing Time (months)

	U.S. Initiated Cases/Matters	Foreign Initiated Cases/Matters	Combined
2009	14.3	25.3	15.7
2010	28.4	24.4	25.9
2011	25.0	29.0	27.2
2012	24.5	18.9	21.0
2013	18.4	20.0	19.2

Table 10: Pending Requests

	U.S. Initiated Adjustments	Foreign Initiated Adjustments	Combined ³
2009	-	-	183
2010	-	-	198
2011	-	-	165
2012	-	-	170
2013	91	118	209

³ Reports prior to 2013 did not break down the combined number of pending requests by type of adjustment so combined totals cannot be reported in that manner for 2009-2012.