

Chart of the Day



Over 40 Countries Have Adopted DSTs

Over 40 countries globally have either enacted or are actively pursuing Digital Service Taxes (DSTs). President Trump has required the USTR, Treasury and Commerce departments to undertake a comprehensive review of these countries by April 1 and provide recommendations for reciprocal US policy action.

Legislation enacted:

1. Argentina
2. Austria
3. Canada
4. Colombia
5. Costa Rica
6. Denmark
7. Ecuador
8. France
9. Greece
10. Hungary
11. India
12. Israel
13. Italy
14. Kenya
15. Malaysia
16. Mexico
17. Nepal
18. Nigeria
19. Pakistan
20. Paraguay
21. Poland
22. Portugal
23. Sierra Leone
24. Slovakia

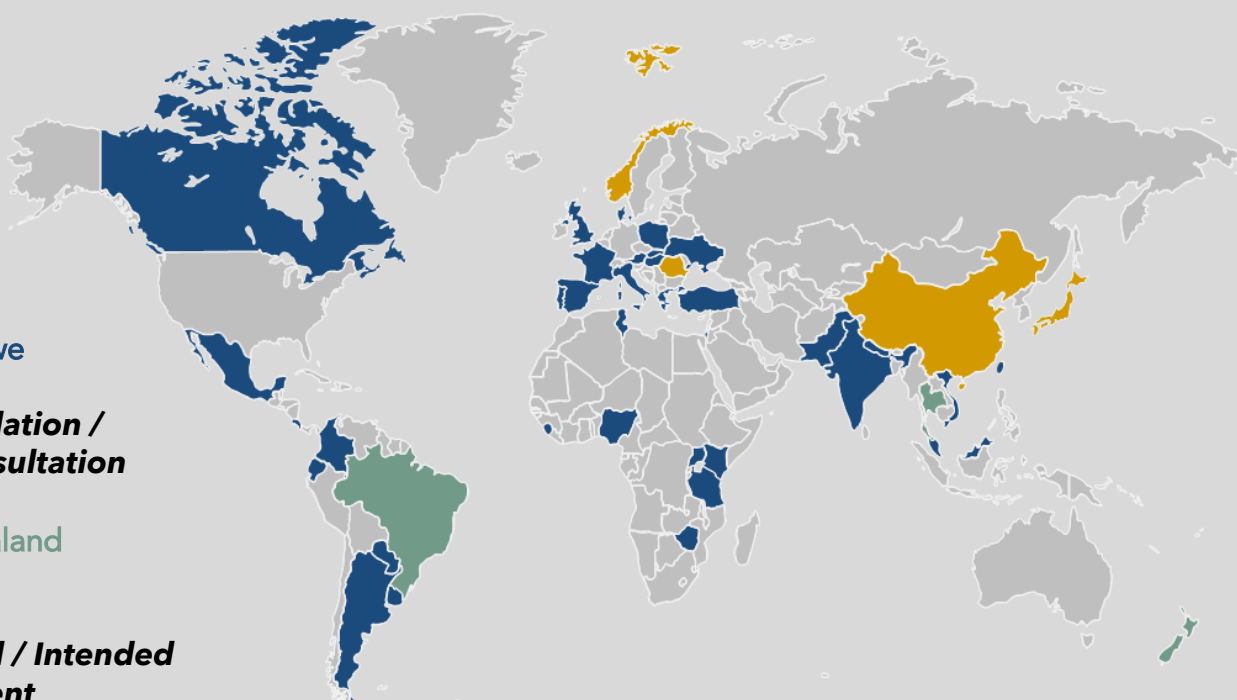
25. Spain
26. Taiwan
27. Tanzania
28. Tunisia
29. Turkey
30. Ukraine
31. UK
32. Uganda
33. Uruguay
34. Vietnam
35. Zimbabwe

Draft Legislation / Public Consultation

36. Brazil
37. New Zealand
38. Thailand

Announced / Intended to Implement

39. China
40. Japan
41. Norway
42. Romania

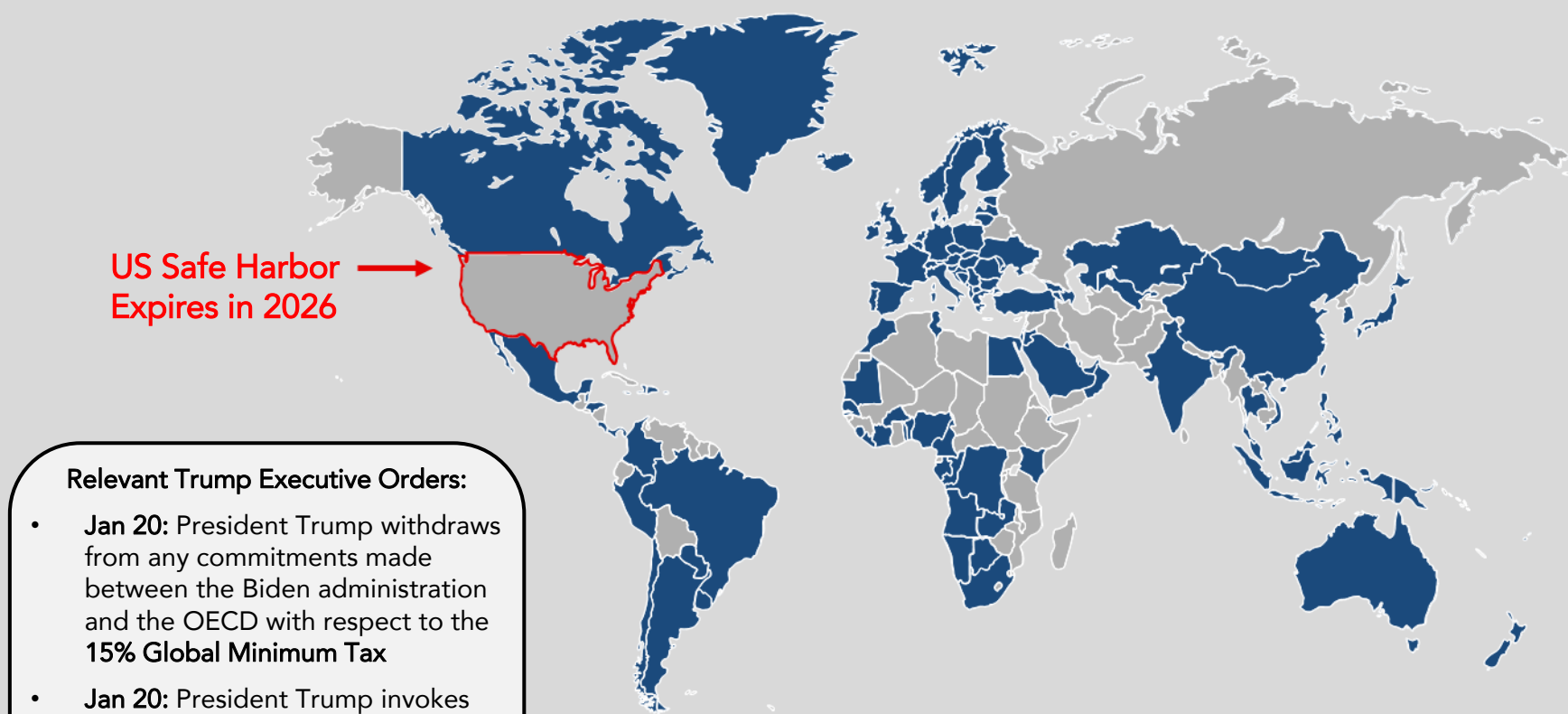


■ 35 Legislation Enacted ■ 3 Draft Legislation/Public Consultation ■ 4 Announced/Intention to Implement

US Withdrawal From 15% Global Minimum Tax

According to the Congressional Research Service (CRS), nearly 70% of the foreign profits of US MNCs are located in low tax jurisdictions. Since 2021, more than 140 countries, including the US, have committed to the OECD's Pillar Two 15% global minimum tax agreement. In January 2025, President Trump issued an EO to remove the US from the Pillar 2 agreement. He also signed a separate EO identifying **Section 891 of the US tax code** as a mechanism for taking action on foreign countries that impose extra-territorial global minimum taxes on US corporations. This seldom used provision from 1954 allows for a doubling of taxes on foreign individuals or companies that impose discriminatory tax practices on US companies.

Countries committed to the OECD Pillar 2 Global Minimum Tax Agreement



Relevant Trump Executive Orders:

- **Jan 20:** President Trump withdraws from any commitments made between the Biden administration and the OECD with respect to the **15% Global Minimum Tax**
- **Jan 20:** President Trump invokes **Section 891 of the US Code** as an option for protection from discriminatory and extraterritorial tax measures

Source: (1) KPMG, "Taxation of the Digitized Economy - Developments Summary" Data as of January 30, 2025. (2) OECD, "Members of the OECD/G20 Inclusive Framework on BEPS that have approved the July 2023 Outcome Statement on the Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalization of the Economy as of May 28, 2024. Including Canada who signed in September 2024.

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"Macro stability isn't everything, but without it, you have nothing."