

**Update from the Co-Coordinator of the UN Tax Committee Subcommittee on Tax Issues related to the Digitalization of the Economy, Mr. William Fowler and Mr. Aart Roelofsen – 11 March 2021**

In its 21st session held in October 2020 the UN Tax Committee voted for including an Article in the UN Model Tax Convention attributing a treaty taxing right for source jurisdictions on payments for automated digital services.

Thereafter, the Subcommittee on Tax Issues related to the Digitalization of the Economy continued work on the draft of that article and its commentary including through two Subcommittee meetings, in December 2020 and February 2021. The work has advanced very well, and some pending key issues have been decided for Subcommittee purposes.

It is expected that after some fine tuning of the language, on which the Subcommittee may have a one day meeting soon, a final proposal will be presented for decision during the 22nd session of the Tax Committee to be held virtually - with meetings expected to be held from 19-28 April 2021. The proposal will be available on the Tax Committee site (<https://www.un.org/development/desa/financing/what-we-do/ECOSOC/tax-committee/tax-committee-home>) before the 22nd session.