WASHINGTON - Last month, an historic agreement was reached between 137 countries of the OECD-G20 Inclusive Framework – representing nearly 95% of the world’s GDP – on a two Pillar package of reforms to the international tax framework to be implemented in 2023.

These reforms will provide for a tax framework that is fairer, more stable, and better equipped to meet the needs of a 21st century global economy.

In support of that agreement, the United States and Turkey have today announced the terms of an agreement on the transition from the existing Turkish Digital Services Tax to the new multilateral solution and have committed to continuing discussions on this matter through constructive dialogue.

This compromise represents a pragmatic solution that helps ensure that countries can focus their collective efforts on the successful implementation of the OECD/G20 Inclusive Framework’s historic agreement on a new multilateral tax regime and allows for the termination of trade measures adopted in response to the Turkish Digital Services Tax.

Overall, this political agreement is yet further demonstration of our commitment to working together to reach consensus, and to deliver far-reaching multilateral reforms that help support our national economies and public finances.

Read the agreement here.