Lex Scientia Law Review
Vol. 9 Issue 2 (2025) 1830–1875
DOI: https://doi.org/10.15294/lslr.v9i2.20701
Online since: November 17, 2025

LEX SCIENTIA LAW REVIEW
https://journal.unnes.ac.id/journals/lslr

Tax Havens and Their Impact on National Tax Legislation

Akylbek Ilyas [a], Gurgen Gukasyan [b]✉, Sergei Chernov [c], Vladimir Kosarev [d]

[a] Department of Finance, L.N. Gumilyov Eurasian National University, Astana, Republic of Kazakhstan, akilbeki.ilias@mail.ru, https://orcid.org/0009-0002-0031-7764

[b] Department of Public Administration, Faculty of Humanitarian and Social Sciences, Peoples' Friendship University of Russia (RUDN University), Moscow, Russian Federation; Center for Arab and Islamic Studies, The Institute of Oriental Studies of the Russian Academy of Sciences (RAS), Moscow, Russian Federation, gurgen_gukasyan@rambler.ru, https://orcid.org/0000-0003-1935-5760

[c] Department of World Economy and International Economic Relations, State University of Management, Moscow, Russian Federation, sb_chernov@guu.ru, https://orcid.org/0009-0009-4653-4386

[d] Department of Banking and Financial Markets, Financial University under the Government of the Russian Federation, Moscow, Russian Federation, Vk2303@rambler.ru, https://orcid.org/0009-0004-8846-800X

✉ Corresponding email: gurgen_gukasyan@rambler.ru

Abstract

The "offshore economy" constantly dwells in the spotlight of the world community. That creates a number of challenges for the sphere of legislative regulation and assumes the necessity of the implementation of unified international rules into national regulation. This work answers the question of how tax havens affect the tax legislation of individual national legal systems. The study shows the directions and prospects for combating tax evasion through the use of tax havens and concealment of income in offshore corporations. Using political and legal analysis method the paper examines changes in legislative regulation related to tax law under the influence of the offshore zones development and current political and legal responses to the existing challenges associated with tax evasion via tax havens, including in the UK, the EU, and Russia. The research gives grounds to say that at present the OECD action plan BEPS (Base Erosion and Profit Shifting) forms the basis for reforming the relevant legislation not only in the OECD countries, but also outside it. At the same time, in the considered countries, there is a tendency to tighten legislative regulation in terms of business transparency as well as openness of information about the ultimate beneficiary.

KEYWORDS *abuses in the field of corporate taxation, controlled foreign companies, offshore, public policy and administration, sustainability of national economies*

Introduction

Every year states around the world lose billions in revenue due to tax avoidance and evasion. It is not surprising that society ultimately suffers, as fair business owners and taxpayers are put under the double burden.[1] At the same time, problems of the sustainability of national economies rarely remain in the field of view of private business, prompting companies and individuals to use gaps in national and international rules to reduce the tax burden. Within the frames of this process the key role is played by the differences of the tax systems, thanks to which it is possible to obtain maximum profits through low tax rates. In the current conditions, this opportunity is widely available due to the existence of tax havens.[2]

---

1 Sergei B. Chernov and Alexandra V. Zakharova, "Institutional Aspects of Taxation: Economic Security and Activities of an Economic Entity," *Economic Sciences* 196 (2021): 196–200, https://doi.org/10.14451/1.196.196.

2 Christina M. Lewellen, "Tax Haven Incorporation and Financial Reporting Transparency," *SSRN 3888383* (2021), https://dx.doi.org/10.2139/ssrn.3888383.

Countries classified as tax havens (offshore zones), or having them on their territory, as a rule are most interested in ensuring that their residents do not face problems related to the maintenance of banking and commercial secrets. Tax havens attract foreign companies with a favorable monetary and financial regime, foreign trade legislation, and tax benefits. Tax havens are associated with such distinctive features as low or zero taxation, fictitious place of registration, and strict observance of tax secrets. The two latter are the key methods of concealing the ultimate beneficial owners.[3]

Today, the major issue related to tax havens is their negative impact on the budget revenue in countries with higher taxation, which subsequently leads to an increase in tax evasion, legal and illegal migration of capital that trigger financial instability.[4] The existence of tax havens raises many challenges for national economies associated with tax avoidance, low information transparency, restrictions on the exchange of tax information, and money laundering. In particular, the US-owned multinational corporations and the UK-based companies are among the most active entities of interaction with offshore jurisdictions. As of 2008, over three fourth of the largest U.S. corporations with shares in the stock exchange had subsidiaries in tax havens.[5] Since then, the popularity of tax havens has not declined in the United States. In 2020 alone, at least 55 of the largest corporations in America failed to pay federal income taxes, despite substantial pretax profits.[6]

In recent years, high-profile cases of offshore-related affairs involving Amazon, Facebook and Google have attracted a lot of media attention. According to current studies, up to 55% of the U.S. firms' foreign profits are accumulated in tax havens.[7] In 2016, the

---

3 Cecile Remeur, "Listing of Tax Havens by the EU," *European Parliament*, 2018, accessed May 15, 2024, https://www.europarl.europa.eu/cmsdata/147404/7%20-%2001%20EPRS-Briefing-621872-Listing-tax-havens-by-the-EU-FINAL.PDF.

4 Elena Smirnova, Igor Okhrimenko, and Aleksandra Zakharova, "Review of Best Practices in Self-Employment Taxation," *Public Organization Review* 24 (2024): 299–314, https://doi.org/10.1007/s11115-022-00604-1.

5 Karey Wutkowski, "US Banks Getting Help Have Units in Tax Havens-GAO," *Reuters*, 2009, accessed May 15, 2024, https://www.reuters.com/article/idUSN16304726/.

6 Matthew Gardner and Steve Wamhoff, "55 Corporations Paid $0 in Federal Taxes on 2020 Profits," *Institute on Taxation and Economic Policy*, 2021, accessed May 15, 2024, https://itep.org/55-profitable-corporations-zero-corporate-tax/.

7 Chris Jones, Yama Temouri, and Alex Cobham, "Tax Haven Networks and the Role of the Big 4 Accountancy Firms," *Journal of World Busines* 53, no. 2 (2018): 177–93, https://doi.org/10.1016/j.jwb.2017.10.004

European Commission found out that Ireland has granted Apple's two Irish subsidiaries an illegal tax aid, which saved the company US$13 billion. This, in turn, became the reason for the European Commission to bring charges against Ireland related to Apple's assistance in tax evasion.[8] At the same time, offshore scandals due to data leaks occur almost every year, creating new grounds for political discussions on how to prevent losses to state budgets associated with offshore transactions balancing on the edge of the law. In the light of the above, the question arises as to whether economic activity in offshore zones necessities legislative changes around tax law in jurisdictions interacting with offshore companies.

Speaking about whether states are fighting offshores, one can answer positively, but with a reservation - rather not with offshores as a legal phenomenon, but with abuses associated with offshores: tax evasion, money laundering and other crimes (offences).[9] In many countries, relevant government policy and legislative regulation related to prevention of the use of offshore tax jurisdictions (offshore companies) by tax residents is developed with such goals as, in particular, combating tax evasion or violation of the rules of currency regulation (currency control), introduction of prohibitions on the commission of certain controlled transactions involving offshore companies or to limit economic attractiveness implementation of such controlled transactions through the introduction of offshore duty. In addition, among the main goals of such policies is the fight against corruption offenses and legalization (laundering) of proceeds obtained through crime, financing of terrorism or proliferation of weapons of mass destruction, including those committed by politically significant persons as well as creation of incentives for the return of funds to countries of origin, previously repatriated to offshore tax jurisdictions (in favor of offshore companies).[10] This research

---

8 V. A. Dergachev, "The Influence of Offshore Business on the Economy of Ukraine," *Economic Innovations* 52 (2013): 66–82; N. V. Dergacheva and R. R. Kutateladze, "Tax Harbor and Tax Evasion," in *Topical Issues of Modern Economics* (Astrakhan: Federal State Budgetary Educational Institution of Higher Professional Education "Astrakhan State University", 2020), 181–4.

9 Aretha M. Campbell, *Money Laundering, Terrorist Financing, and Tax Evasion* (Cham: Palgrave Macmillan, 2023), https://doi.org/10.1007/978-3-030-68876-9.

10 Ibid.; Dan Haberly, Tom Shipley, and Robert Barrington, "Corruption, Shell Companies and Offshore Financial Secrecy: Directions for Anti-Corruption Policy," *Centre for the Study of Corruption, University of Sussex,* 2023, accessed May 15, 2024, https://ace.globalintegrity.org/wp-content/uploads/2023/06/GI-ACE-Financial-Secrecy-report-D.-Haberly-June-

implies to evaluate the current state, trends and prospects for political and legal response to existing problems associated with tax evasion using tax havens through the example of legislative regulation and practices of the EU, UK and Russia. At the same time, the work examines certain aspects of the formation of public policy and the implementation of state regulation related to the issues of de-offshorization of the particular national economies. The selection of the United Kingdom, the European Union, and the Russian Federation as the primary jurisdictions for analysis is methodologically grounded in the comparative legal and political diversity they represent, as well as their relevance to the global discourse on deoffshorization and tax evasion. The United Kingdom holds a central role in the global offshore economy due to its extensive network of overseas territories and dependencies, many of which function as key tax havens. The European Union, as a supranational entity, offers a unique model of harmonized tax regulation across multiple sovereign states. And the Russian Federation serves as a contrasting case of a post-socialist economy that has undergone significant regulatory transformation in its efforts to combat capital flight and implement controlled foreign company rules.

Current studies concerning the impact of tax havens on internal and international legal regulation and public policy are devoted to such issues as:

a) regional and national approaches to tax regulation reform (tax reforms and taxation of transnational corporations in the U.S.;[11] deoffshorization and its impact on the national and regional economies of the Eastern European countries[12]);
b) legal transformation of offshore jurisdictions the role of offshore financial centers as a new object for the development of international economic law in the era of the digital economy;[13] association between the Big Four companies and

---

2023.pdf.

[11] Emmanuel Saez and Gabriel Zucman, “Taxjusticenow.org: Tax Simulator Description,” *Berkeley*, 2019, accessed May 15, 2024, https://eml.berkeley.edu/~saez/taxsimulator.pdf.

[12] Svitlana Khalatur et al., “Global Deoffshorization and Its Impact on the National and Regional Economies of Eastern European Countries,” *Problems and Perspectives in Management* 17, no. 3 (2023): 293–305, http://dx.doi.org/10.21511/ppm.17(3).2019.24.

[13] Svetlana Nikolaevna Revina, Pavel Alexandrovich Paulov, and Anna Viktorovna Sidorova, “Regulation of Tax Havens in the Age of Globalization and Digitalization,” *Digital Transformation of the Economy: Challenges, Trends and New Opportunities,* edited by S. Ashmarina, A. Mesquita, and M.

tax havens;[14]

c) global and macroeconomic aspects of offshorization and its consequences (economic and social consequences for the world community, global economy, international and national tax systems due to the growing popularity of tax havens;[15] and existing global deoffshorization projects).[16] Based on a review of existing research, it can be noted that the issue of the impact of offshore companies and the ways of doing business through them on legislative regulation seems particularly relevant and, at the same time, requires additional study.

As it can be understood, on the one hand, offshore companies are a continuation of national economies, which brings them within the framework of the implementation of sovereign national policy. But on the other hand, offshore companies are an important segment of the global economy and an integral component of the global financial market. In both capacities, offshores have long outgrown their previous functions as territories of simply low-tax havens that provide savings to beneficiaries, owners of companies resident in certain countries. Also, offshore companies can be considered as a special "offshore" sector of the world economy, which is distinguished by the fact that it is supranational in nature.[17] Processes taking place all over the world aimed at disclosing information about accounts, assets, and companies owned by individuals in tax havens were the result of a series of high-profile scandals, starting in 2014 associated with the Panama Papers and the Paradise Papers, later events - the Pandora Papers and continues to this day.[18] In many modern countries there are being

Vochozka (Cham: Springer, 2020), 88–95, https://doi.org/10.1007/978-3-030-11367-4_8.

14 Jones, Temouri, and Cobham, "Tax Haven Networks," 179.

15 Gizela Lénártová, "The Economic and Social Consequences of Tax Havens in the World," in *Current Problems of the Corporate Sector 2020,* edited by D. Hrušovská, M. Kmety Barteková, and M. Kozáková (Les Ulis: EDP Sciences, 2020), Vol. 83, Article 01041, https://doi.org/10.1051/shsconf/20208301041.

16 Irina V. Tsvigun, Dmitriy Kostyuchenko, and Marina Chigir, "Global Deoffshorization: Basic Approaches and Obstacles to Their Implementation," *Discourse* 4, no. 3 (2018): 55–63, https://doi.org/10.32603/2412-8562-2018-4-3-55-63.

17 Alexey G. Bodrov, "Offshore as an Instrument of Corruption in Russia," *Interactive Science* 4, no. 69 (2022): 7–17, https://cyberleninka.ru/article/n/offshor-kak-instrument-korruptsii-v-rossii.

18 Anna Isaak, "Revealed: Rishi Sunak "Listed in Tax Haven as Trust Beneficiary" While Chancellor," *Independent*, 2022, accessed May 15, 2024, https://www.independent.co.uk/news/uk/politics/rishi-sunak-akshata-murty-tax-haven-b2054179.html; Michael Liedtke and Jonathan Mattise, "Leaked

made substantial efforts to ensure that information about offshore accounts and companies becomes an effective tool in the hands of tax authorities. All these actions are aimed at deoffshorization of the world economy in general and the economies of individual countries in particular. Despite the lack of a generally accepted definition of "deoffshoreization," modern scholars and policymakers say that it comes about a system of political and legislative initiatives aimed at preventing the concealment of the income of enterprises formally owned by companies located in tax havens.[19] In general, it is obvious that deoffshorization is not needed, if it is about the prohibition of owning companies abroad or conducting operations with foreign firms, even if they are considered offshore. But it is needed as a tool to fight against tax evasion. Contemporary research on the political-legal and state-management aspects of this topic is devoted to issues such as global deoffshorization and its impact on the national and regional economies of eastern European countries,[20] perspective trends to improve the deoffshorization policy (Russian case study),[21] global deoffshorization: basic approaches and obstacles to its implementation,[22] the essence of offshores and their influence on international economic activity,[23] China's presence within the frames of the global tax havens and states' policy regarding the offshores,[24] role of offshores within the frames of the anti- money- laundering efforts of the states,[25] OECD and deoffshorization of European

---

'Pandora Papers' Expose How Billionaires and Corrupt Leaders Hide Wealth," *Guardian (Sydney)* 1982 (2021): 12, https://search.informit.org/doi/abs/10.3316/INFORMIT.117531115133043; James O'Donovan, Hannes F. Wagner, and Stefan Zeume, "The Value of Offshore Secrets: Evidence from the Panama Papers," *The Review of Financial Studies* 32, no. 11 (2019): 4117–55, https://doi.org/10.1093/rfs/hhz017.

19 Bodrov, "Offshore," 10; Haberly, Shipley, and Barrington, "Corruption, Shell Companies."

20 Khalatur et al., "Global Deoffshorization," 297.

21 E. Y. Trigub, "Promising Trends to Improve the Deoffshorization Policy: World and Russian Practice," *University Bulletin* 86 (2023): 171, https://vestnik.guu.ru/jour/issue/download/86/86#page=171.

22 Tsvigun, Kostyuchenko, and Chigir, "Global Deoffshorization," 57.

23 A. H. Holovko, "The Essence of Offshore and Their Influence on Foreign Economic Activity" (Master's Thesis, Sumy State University, 2020), https://essuir.sumdu.edu.ua/handle/123456789/81833.

24 Christopher Clayton et al., "China in Tax Havens (No. w30865)," *National Bureau of Economic Research,* 2023, accessed May 15, 2024, https://www.nber.org/papers/w30865.

25 Paul Michael Gilmour, "Reexamining the Anti-Money-Laundering Framework:

micro-states.[26] At the same time, it was not possible to find comprehensive studies concerning trends in the formation and development of the concept of deoffshorization, as well as studies devoted to modern initiatives of political and legal response to existing problems associated with tax evasion using tax havens. Global deoffshoreization requires international business to conduct its foreign economic activities on equal terms. This, in turn, requires an effective policy in a specific direction, legal regulation, and accordingly state administration, as a process of implementation of state executive power. That will ensure fair and open rules of the game, according to which every company will develop its foreign economic activity. The disappearance of offshores will contribute to the even distribution of taxes and investments between countries. This will be beneficial both for the world economy in general and for the economy of each state separately.

Method

The research design is based on a case-study approach and is limited to considering the experience of the UK, the EU and the Russian Federation. The sample for analysis is determined by both the relevance of the deoffshorization problem for all three jurisdictions and their belonging to different legal systems. At the same time, the study is based on the premise of a possible conflict of regulation between the practices of these jurisdictions and the specific problems of the practical implementation of certain initiatives. The study examines legal regulation in the field of taxation and documents for combating tax avoidance adopted in these countries (unions). The documentary basis of the research includes the legal regulation acts in the field of taxation and combating tax evasion in the United Kingdom (Income Tax (Trading and Other Income) Act 2005, Income Tax Act 2007), Russia (Federal Law of November 24, 2014 No. 376-FZ “ On amendments to parts one and two of the Tax Code of the Russian Federation (in terms of taxation of profits of controlled foreign companies and income of foreign organizations), EU (Directive of the European Parliament and Council of the European Union 2015/849 of May 20, 2015 “on preventing the use financial system for the purposes of money

A Legal Critique and New Approach to Combating Money Laundering,” *Journal of Financial Crime* 30, no. 1 (2022): 35-47, https://doi.org/10.1108/JFC-02-2022-0041.

[26] M. B. Alimova-Nefedova, “OECD and Deoffshorization of European Dwarf States,” *Law Enforcement* 6, no. 3 (2022): 134–46, https://doi.org/10.52468/2542-1514.2022.6(3).134-146.

laundering or terrorist financing, amending Regulation (EU) 648/2012 of the European Parliament and of the Council and repealing Directive 2005/60/EC of the European Parliament and of the Council and Directive 2006/70/EC of the European Commission"; Directive European Parliament and Council (EU) 2018/843 of 30 May 2018 amending Directive (EU) 2015/849 on preventing the use of the financial system for the purposes of money laundering or terrorist financing and amending Directives 2009/138/EU and 2013 /36/EU; EU Directive of July 12, 2016 No. 2016/1164 "On rules to combat tax avoidance practices affecting the functioning of the internal market"), as well as analytical materials of the OECD (Countering offshore tax evasion), materials of the advocacy group Tax Justice Network (State of Tax Justice 2020).

The selection of primary sources (legislative acts) is based on their formal legal force and direct relevance to the tax regulatory regimes under consideration in the UK, EU and Russian Federation since they reflect legally binding rules that shape actual practice and thus form the basis of the analysis. Secondary sources, including academic commentaries, policy briefs and research reports from organisations such as the OECD and the Tax Justice Network, were selected based on their theoretical contribution, credibility and relevance within the existing theoretical discourse. In regard of the current work the above materials provide the interpretative context, expert criticism and comparative analysis that are necessary to analyse the intent, evolution and limitations of the primary legal framework.

This study is based on the application of the method of political and legal analysis used in political science and interdisciplinary research, and involves consideration of the features of the legal status of tax havens, the features of political and legal measures of national governments and international organizations aimed at countering the consequences and challenges posed by offshore activities. The paper also uses a secondary research methodology, which involves analyzing the work of specialized theorists on these issues. The work explores the prospects for legislative regulation in the field of countering tax evasion through the use of tax havens and hiding real income in offshore areas. At the same time, the research examines certain aspects of the formation of public policy and the implementation of public administration related to the issues of deoffshorization of national economies.

The use of the chosen methodological approach is due to its applicability to interdisciplinary research at the intersection of law, public policy and international relations. Within this framework, legal acts are interpreted in light of their political context, implementation mechanisms and interaction with international standards and economic imperatives. The analysis of secondary sources includes a systematic review of academic literature, policy reports and other relevant publications in the field of tax regulation in terms of deoffshorization issues. The approach above allows to identify dominant academic interpretations, critical debates and empirical assessments regarding offshore regulation and tax evasion.

The first stage of the work involves consideration of issues of institutionalization of offshore companies and their impact on certain aspects of the global economy. At the second stage, the impact of the activities of tax havens on changes in legislative regulation and political initiatives of the countries considered in the work is considered. In particular, these are issues of the UK limiting the special tax regime in dependent jurisdictions, EU legislative initiatives in the field of deoffshorization and changes in Russian tax legislation related to the relevant issues. Next, the above-mentioned issues are considered in the context of an academic discussion regarding the search for solutions related to optimizing the regulation of tax havens. At the final stage, there are considered the problems and obstacles to the implementation of the BEPS plan as a potentially multi-faceted tool to counter the erosion of the tax base and the removal of income from taxation. Considering that the implementation of political initiatives and the development of legislative regulation on research issues are related to the decisions of governments and international actors, which may be subject to dynamic changes, the above impose limitations on this research.

Result & Discussion

A. Tax Havens in the Context of Modern Perception: From Stereotypes to Pragmatism

Currently, in the light of the formal commitment of offshore jurisdictions to international cooperation in matters of tax transparency, the concepts of “tax haven” and “offshore” are somewhat losing their negative connotation typical for the recent past. Since the entry of this term into widespread use in the late 90s of the XX, the latter began to acquire a negative connotation as a tool for evading taxes to the budget and capital flight. However, over time, the negative attitude began to erode, giving way to opinions that offshore activity is the result of pragmatic beliefs of businesses resorting to legal actions to minimize taxation.[27] Factually, the use of tax havens, offshore companies and offshore accounts is equivalent to the withdrawal of funds offshore - legal actions that are not subject to prohibition, but only if we are talking about carrying out such operations not for the purpose of legalizing income that is sheltered from taxation. To date, in modern regulatory and scientific sources there is no single definition of a tax haven. Herewith, the concept is invariably accompanied by such characterizing properties as secrecy, low or zero taxes. Based on a set of definitions, the concept of a "tax haven" is used to refer to a state (political entity) that offers foreign enterprises and individuals conditions of minimal (or zero) taxation, often suggesting the possibility of reducing or evading taxes withheld in the investor's country of residence. In any case, the concept of a tax haven (offshore) implies low taxation (or absence thereof), lack of transparency in matters of fiscal reporting and refusal to disclose information about the financial activities of companies registered offshore to foreign fiscal authorities.[28] In 1998, the Organization for Economic Co-operation and Development (OECD) identified the following factors for identifying tax havens: 1) No or nominal tax on the relevant income; 2) Lack of effective exchange of information (between governments on taxpayers-beneficiaries operating under the jurisdictions of states with low or no taxation); 3) Lack of transparency; 4) No substantial activities.[29] Factors that contribute to offshore jurisdictions' popularity include:[30] stability of the internal political and economic situation; political adaptability; willingness to compromise; interaction with international actors (including, but not limited to OECD and FATF (The Financial Action Task Force)); reforms to enhance transparency in the offshore sector; as well as political and economic maturity.

The popularity of offshore companies is primarily based on the role of pragmatic commercial benefits in entrepreneurship, which this concept embodies. In particular, the use of offshore jurisdictions provides a number of advantages for businesses, namely no import duties, low tax rates or lack thereof, and

---

[27] Roman O. Reinhardt, "Offshores: 'Treasure Islands' or Geopolitical Traps?," *Financial Business* 4 (2013): 57–60, https://www.elibrary.ru/start_session.asp?rpage=https%3A%2F%2Fwww%2Eelibrary%2Eru%2Fitem%2Easp%3Fid%3D19693241.

[28] Jones, Temouri, and Cobham, "Tax Haven Networks," 182.

[29] Jeffrey Owens and Pascal Saint-Amans, "Countering Offshore Tax Evasion. Some Questions," *OECD*, 2009, accessed May 15, 2024, https://web-archive.oecd.org/2012-06-14/119255-42469606.pdf.

[30] Revina, Paulov, and Sidorova, "Regulation of Tax Havens," 91.

confidentiality, which creates an obstacle for any country's authorities to obtain reliable information about one's profits. Moreover, it is easier to register an enterprise in a tax-free zone than in the home country of the business owner. In addition, regulations on corporate governance in offshore jurisdictions are often greatly simplified, therefore the authority to manage a company can be delegated to a trustee.[31] However, in macroeconomic terms, offshore activities are a "time bomb". In other words, the consequences for national economies are not immediately obvious, but the government can expect huge losses. This is especially true for post-Soviet countries, where the transition from a planned economy to a market economy was associated with dramatic privatization and massive withdrawal of funds abroad.

It should be noted that there is currently no single list of offshore companies. Separate lists that take into account certain signs of offshore zones are compiled by the International Monetary Fund, the Organization for Economic Cooperation and Development (OECD), the Financial Action Task Force (FATF), the Tax Justice Network, which publishes the Financial Secrecy Index, and other international organizations and institutions. An example there may be presented the ranking of tax havens countries in accordance with the Financial Secrecy Index (Figure 1). At the same time, tax havens jurisdictions can be typologized according to a geographical criterion or a method for optimizing tax costs (Figure 2).

[31] Khalatur et al., "Global Deoffshorization," 299.

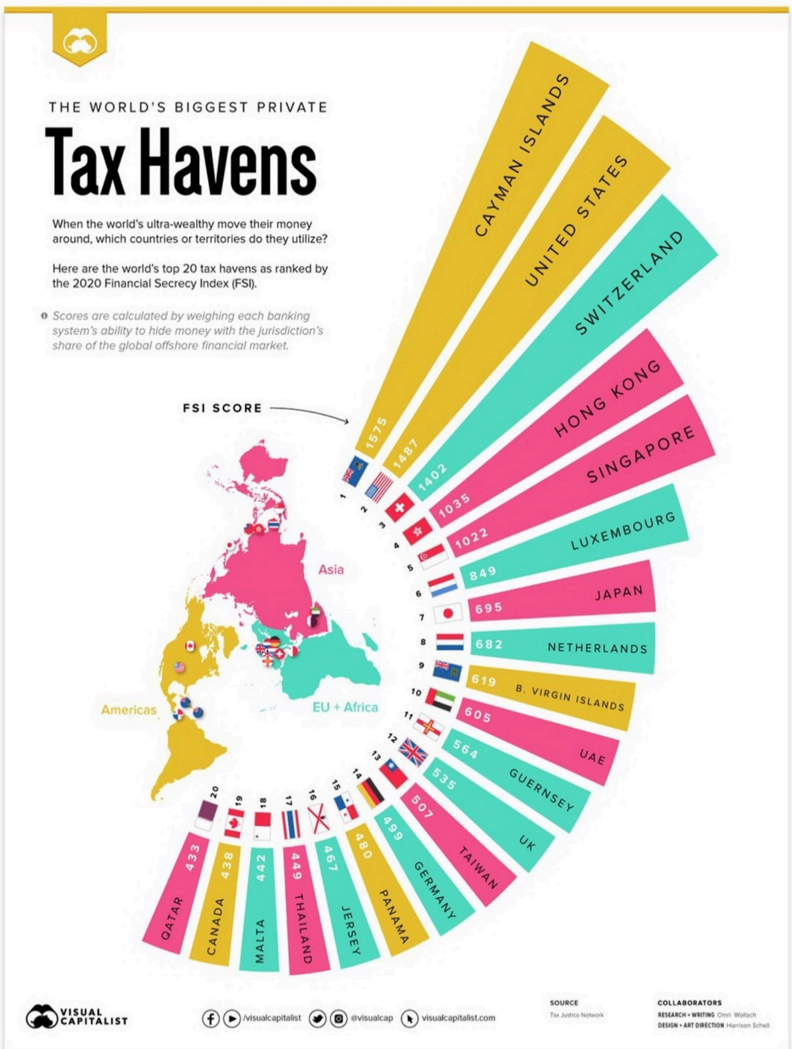

FIGURE 1. Ranking of Tax Havens Jurisdictions according to Financial Secrecy Index
Source: Wallach [32]

[32] Omri Wallach, "Mapped: The World's Biggest Private Tax Havens," *Visual Capitalist,* 2021, accessed May 15, 2024, https://www.visualcapitalist.com/worlds-biggest-private-tax-havens/.

Criterion	Type	Characteristics
Way to optimize tax costs	Classic offshore	Doing business in such an area is usually the most attractive in terms of tax and financial costs. There are no taxation and requirements for accounting and financial accounting, but there is an obligation for the management of an offshore company to pay an annual fee to the budget of the offshore state. Small states with a low level of economic development, but with a fairly high level of political stability, zero tax rates (for example, the British Virgin Islands, Vanuatu).
	Low tax offshore	Income is taxed, but at a low rate, accounting and financial accounting requirements are officially regulated.
	Offshore with preferential taxation	Offshore companies in these areas are beneficial with proper use of the peculiarities of local commercial and financial legislation
	Offshore zones in some US states	In a number of states, entrepreneurs are required to pay a flat federal tax, but they are exempt from paying taxes on income received outside the state.
Geographic criterion	Island offshore	Islands or archipelagos in the Pacific, Indian Oceans, and Caribbean Sea. As a rule, these are small states with a low level of economic development but with high political stability (Seychelles, Marshall Islands, etc.). They are distinguished by a high degree of confidentiality, often a complete absence of taxes, as well as reporting requirements. The only condition is a moderate annual fixed payment to the state budget.
	Mainland countries and/or their territorial entities	The preferential tax-free status of companies is confirmed by reports and annual audits. In order to exercise control over the activities of enterprises, the legislation of the states provides for the maintenance of registers of founders, directors, shareholders. Therefore, confidentiality is not guaranteed in this case (Luxembourg, Cyprus).

FIGURE 2. Types of Offshore Zones
Source: Based on the materials of Sobaschuk and Sobaschuk,[33] Zarubina and Kosenko [34]

Nevertheless, the huge volumes of funds that flow into tax havens are harmful to the states from which they flow. The fight against offshore companies (deoffshorization) has become mandatory in recent years. Meantime, dozens of countries have already launched active campaigns against offshore accounts.[35]

According to the estimates of the U.S. fiscal authorities, tax havens cost the federal and state governments up to US$100 billion a year. At the same time, the United States itself is used for international tax avoidance, because it provides favorable tax regimes for non-residents at both the state and federal levels.[36]

---

[33] R. Y. Sobaschuk and E. Y. Sobaschuk, "Analysis of the Historical Development of Offshore Zones," in *Research into Various Areas of Modern Science* (Moscow: Scientific and Publishing Center Empire, 2022), 82–5, https://www.elibrary.ru/item.asp?id=50221261.

[34] N. P. Zarubina and A. E. Kosenko, "Special Economic Zones, Special Port Zones, Offshore Zones as Legal Forms for Attracting Investors," *Scientific Notes of PNU* 5, no. 4 (2014): 903–8, https://www.elibrary.ru/item.asp?id=22674782.

[35] Edward Buckland, "The Offshore Trust Industry's Biggest Enemy… Itself??," *Trusts & Trustees* 25, no. 7 (2019): 747–52, https://doi.org/10.1093/tandt/ttz061.

[36] Jackson Brainerd, "States Eye Tax Havens," *National Conference of State Legislation*, 2016, accessed May 15, 2024,

However, such paradoxical situation emerges not only in the United States. According to the 2020 report by the Tax Justice Network (TJN), OECD countries and their satellite states are responsible for 68.3% of the global corporate tax abuse risks.[37] The TJN applied an alternative methodology to validate the data, which led to similar conclusions. A parallel study found that OECD countries and their dependencies are responsible for facilitating 68.1% of observable tax losses via cross-border corporate tax abuse. The TJN's State of Tax Justice 2020 report found that OECD countries and their dependencies cost the world over US$166 billion in lost corporate taxes annually.[38]

According to the TJN's Corporate Tax Haven Index 2021, the lion's share of the responsibility for enforcing global corporate tax abuse among the OECD group lies with the United Kingdom and its Overseas Territories and Crown Dependencies (the UK spider's web) (Tax Justice Network, 2021). They collectively are responsible for 31% of the global corporate tax abuse risks, or almost half (45%) of the corporate tax abuse risks enabled by OECD countries and their dependencies.[39] The following largest sources of corporate tax abuse risk among OECD countries and their dependencies are the Netherlands (5.5%), Switzerland (5.1%) and Luxembourg (4.1%). These countries together with the UK and its network of overseas territories are collectively responsible for nearly half (46%) of the global corporate tax abuse risks. Yet, they account for over two-thirds (67%) of the corporate tax abuse risks enabled by OECD countries and their dependencies. Likewise, according to the Tax Justice Network, the UK spider's web is responsible for almost a third of all corporate tax losses incurred by countries across the world, costing them nearly US$70 billion annually.[40]

---

https://www.ncsl.org/research/fiscal-policy/states-eye-tax-havens.aspx.

[37] Mark Bou Mansour, "$427bn Lost to Tax Havens Every Year: Landmark Study Reveals Countries' Losses and Worst Offenders," *Tax Justice Network,* 2020, accessed May 15, 2024, https://taxjustice.net/2020/11/20/427bn-lost-to-tax-havens-every-year-landmark-study-reveals-countries-losses-and-worst-offenders/.

[38] Mark Bou Mansour, "Tax Haven Ranking Shows Countries Setting Global Tax Rules Do Most to Help Firms Bend Them," *Tax Justice Network,* 2021, accessed May 15, 2024, https://taxjustice.net/press/tax-haven-ranking-shows-countries-setting-global-tax-rules-do-most-to-help-firms-bend-them/; Alex Cobham et al., "The State of Tax Justice 2020: Tax Justice in the Time of COVID-19," *Tax Justice Network,* 2020, accessed May 15, 2024, https://taxjustice.net/wp-content/uploads/2020/11/The_State_of_Tax_Justice_2020_ENGLISH.pdf.

[39] Mansour, "Tax Haven Ranking."

[40] Ibid.; Alex Cobham et al., "The State of Tax Justice 2020."

Nevertheless, the attractiveness of the UK tax havens, where one can take advantage of all benefits of offshore companies, including low tax rates, lack of foreign exchange controls and public access to confidential information, is growing.[41] Among the most popular and effective tools for protecting assets in the tax-havens zone, as well as for carrying out transactions with them, there is an offshore trust. This form of ownership ensures anonymity, flexibility and reliability of property management, providing tax-free status to assets that are completely heterogeneous in nature. At the same time, recent legislative changes and initiatives of the insurance company regarding offshore trusts were aimed at significantly limiting their capabilities in the field of confidentiality and taxation.[42]

B. Revisiting the Role of Offshores as a Potential Threat to Economic Stability in the frames of Regulation Tightens in UK

To date there exist a fairly steady trend towards toughening tax and banking legislation in the UK overseas territories by the metropolis. The trend, among other things, is driven by pressure from industrialized countries and governments' growing fears that financial fraud in tax havens poses a potential threat to the global financial system. It is assumed that the UK will take steps to limit the special tax regime in dependent jurisdictions (this provides an investor with complete anonymity) and implement a unified global system of relationship between banks and investment companies. In addition, the up-to-date Information and Communication Technologies (ICT) are expected to facilitate the initiatives. It is assumed that standardized communication software will automatically detect suspicious transactions, block them and transfer the required information to investigating authorities.[43]

As an example of legislative initiatives in recent years related to combating tax evasion through offshore trusts, one can cite the

[41] Kalyeena Makortoff, "UK Climbs Ranking of Tax Havens, Campaign Group Warns," *The Guardian,* 2020, accessed May 15, 2024, https://www.theguardian.com/world/2020/feb/18/uk-climbs-ranking-of-tax-havens-campaign-group-warns.

[42] Buckland, "The Offshore," 749; Office of Tax Simplification Policy Paper, "OTS Capital Gains Tax Review: Simplifying Practical, Technical and Administrative Issues," 2021, accessed May 15, 2024, https://www.gov.uk/government/publications/ots-capital-gains-tax-review-simplifying-practical-technical-and-administrative-issues.

[43] Revina, Paulov, and Sidorova, "Regulation of Tax Havens," 92.

program document of the State Treasury of the Insurance Company "Offshore trusts: anti-avoidance", which, among other things, involves introducing amendments to the Taxation of Chargeable Gains Act 1992.[44] The document stipulates that if capital payments are made to a close family member of a settlor, who is resident in the United Kingdom, such payments are taxed as if they were received by the settlor.

In addition, it is proposed to amend the Income Tax (Trading and Other Income) Act 2005,[45] providing that if benefits are granted to a close family member of a settlor, who is a UK resident, they are subject to taxation as if they were received by the settlor. Besides these, the Income Tax Act 2007 [46] is to be supplemented as regards issues related to taxation of gifts received from individuals, in particular, from non-UK residents associated with offshore trusts. This measure is expected to affect settlers and trustees of offshore trusts, as well as UK resident individuals who receive payments or benefits (directly or indirectly) from offshore trusts.[47]

C. EU Deoffshorization Initiatives: Controlled Foreign Companies (CFCs)

Moving on to EU policy issues in the field of regulation of tax havens, it should be noted that the OECD Action Plan on Base Erosion and Profit Shifting (BEPS) has become one of the most discussed topics. After the OECD published its latest comments on the 15 steps of the BEPS plan in 2015-2016, the project actually shifted from theory to real world. The OECD member countries

---

[44] HM Revenue and Customs, HM Treasury, "Offshore Trusts: Anti-Avoidance," *GOV.UK,* 2017, accessed May 15, 2024, https://www.gov.uk/government/publications/offshore-trusts-anti-avoidance/offshore-trusts-anti-avoidance; UK Public General Acts, "Taxation of Chargeable Gains Act 1992," *Legislation.gov.uk,* 1992, accessed May 15, 2024, https://www.legislation.gov.uk/id?title=Taxation+of+Chargeable+Gains+Act+1992.

[45] UK Public General Acts, "Income Tax (Trading and Other Income) Act 2005," *Legislation.gov.uk,* 2005, accessed May 15, 2024, https://www.legislation.gov.uk/ukpga/2005/5/contents/enacted.

[46] UK Public General Acts, "Income Tax Act 2007," *Thomson Reuters Practical Law,* 2007, accessed May 15, 2024, https://uk.practicallaw.thomsonreuters.com/Cosi/SignOn?redirectTo=%2f6-506-0118%3ftransitionType%3dDefault%26contextData%3d(sc.Default)%26firstPage%3dtrue.

[47] HM Revenue and Customs, "Offshore Trusts."

started to actively develop and amend their national legislations. The BEPS concept refers to tax planning strategies that exploit gaps and inconsistencies in national and international tax laws to artificially shift profits to a low or no tax area with little or no economic activity. This leads to a decrease or avoidance of income tax liabilities. BEPS practices affect all countries, but they have a major impact on developing ones, due to their high dependence on corporate income taxes, in particular those of multinational corporations.[48] The BEPS Action Plan consists of the reports on 15 actions that start with new minimum standards, revisions of existing ones, common approaches to facilitate the convergence of national practices, and guidelines based on best practices.[49]

During the implementation of the BEPS Action Plan, the OECD resorted to expanding the conceptual framework, borrowing the term Controlled Foreign Companies (CFC) from the common law. The 2015 BEPS Action 3 report outlines the recommended approaches to developing CFC rules to ensure taxation of certain categories of multinational enterprises' income in the jurisdiction of the parent company to counter certain offshore structures that lead to no or indefinite deferral of taxation. Comprehensive and effective CFC rules reduce the incentive to shift profits from a market-based jurisdiction to a low-tax one.[50] CFC rules are a powerful tool for the authorities to tax their residents' foreign profits. By the second half of 2019, almost 50 OECD/G20 Inclusive Framework countries had enacted CFC rules, with all EU member states applying the said rules since the beginning of 2019 following the adoption of Council Directive (EU) 2016/1164, along with some other countries considering the adoption of CFC rules for the first time.[51]

Most countries applying CFC rules are developed countries with high taxes. Today, countries with strict CFC rules include Brazil, France, Germany, China, Finland, Italy, Japan, the U.S., Norway, the UK, and Russia.[52] In recent years, the number of countries adopting internal CFC regulation is growing steadily (this is associated with

[48] Rifat Azam, "Ruling the World: Generating International Tax Norms in the Era of Globalization and BEPS," *Suffolk University Law Review* 50 (2017): 517.

[49] Ibid.

[50] OECD, "About the Dataset Controlled Foreign Company (CFC) Rules," 2021, accessed May 15, 2024, https://qdd.oecd.org/subject.aspx?Subject=CFC.

[51] Sebastian Dueñas, CFC Rules around the World (Washington: Tax Foundation, 2019); OECD, "Action 3 Controlled Foreign Company," 2021, accessed May 15, 2024, https://www.oecd.org/tax/beps/beps-actions/action3/.

[52] OECD, "Controlled Foreign Company (CFC) Rules," 2021, accessed May 15, 2024, https://qdd.oecd.org/data/CFC/.ALL.

the adoption of Action 3 of the BEPS Plan). The EU member states are gradually introducing CFC legislation, guided by Council Directive (EU) 2016/1164 of 12 July 2016, laying down rules against tax avoidance practices that directly affect the functioning of the internal market.[53]

D. Practices of Implementing BEPS Mechanisms in the EU and the UK

In 2022-2023 3 guidance documents (administrative recommendations) were issued by the OECD/G20 aimed at detailing BEPS – "Safe Harbours and Penalty Relief: Global Anti-Base Erosion Rules (Pillar Two)", "Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on the Global AntiBase Erosion Model Rules (Pillar Two)" and "Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on the Global AntiBase Erosion Model Rules (Pillar Two), July 2023".[54] To implement the BEPS recommendations in the EU there was adopted Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union.[55] Among other things the Directive introduces "safe harbor" regulation (the additional tax payable to a group of multinational corporations in a jurisdiction is zero if the level of taxation complies with the terms of

---

[53] European Parliament and Council of the European Union, "Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU," 2018, accessed May 15, 2024, https://zakon.rada.gov.ua/laws/show/984_010-18#Text.

[54] OECD, "Base Erosion and Profit Shifting Project Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on The Global Antibase Erosion Model Rules (Pillar Two) Inclusive Framework on BEPS," 2021, accessed May 15, 2024, https://www.oecd.org/tax/beps/tax-challenges-arising-from-the-digitalisation-of-the-economy-global-anti-base-erosion-model-rules-pillar-two.htm; OECD, "OECD/G20 Base Erosion and Profit Shifting Project Safe Harbours and Penalty Relief: Global Anti-Base Erosion Rules (Pillar Two) Inclusive Framework on BEPS," 2022, accessed May 15, 2024, https://www.oecd.org/tax/beps/safe-harbours-and-penalty-relief-global-anti-base-erosion-rules-pillar-two.pdf.

[55] European Union, "Council Directive (EU) 2022/2523 of 14 December 2022 on Ensuring a Global Minimum Level of Taxation for Multinational Enterprise Groups and Large-Scale Domestic Groups in the Union," 2022, accessed May 15, 2024, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022L2523.

the “qualifying international agreement on safe harbors”), and also sets out rules to ensure a global minimum level taxation for transnational groups.[56]

At the same time, the Directive establishes general measures for minimum effective taxation (at a minimum effective tax rate of 15%) of multinational enterprise (MNE) groups and large domestic groups in the form of “income inclusion rule” and “undertaxed profit rule”. In accordance with the first, the parent company of a group of transnational corporations (TNCs) or a large domestic group undertakes to calculate and pay its distributed share of the additional tax in relation to the entities of the low-tax group. In accordance with the second, a TNC group entity has additional cash tax expenses equal to its share of the additional tax that was not assessed in accordance with the income inclusion rule in relation to low-tax group entities.[57] As an important innovation, it is noted that Member States may decide to apply a qualified internal additional tax, according to which the additional tax must be calculated and paid on the excess profits of all low-tax entities located in their jurisdiction in accordance with the EU Minimum Tax Directive. EU states were required to implement the rules into domestic law by early 2024. To date, the implementation process continues.

At the same time, the following should be noted. Although the Commission takes the position that BEPS is compatible with the Directive, the OECD’s guidance documents on BEPS (Inclusive Frameworks) do not constitute strict legal guidance for the incorporation of BEPS into the domestic legislation of Member States. This leaves open the question of how to deal with situations where BEPS introduces new rules or otherwise leads to a different outcome for taxpayers than EU rules. Ultimately, the Court of Justice will have to determine whether the new OECD guidance documents on the Inclusive Frameworks and the Directive are compatible, and assess which rules should take precedence.[58]

An act similar in its legal essence to the EU Minimum Tax Directive was adopted in the UK: in the summer of 2023 there was adopted the Finance Law (No. 2), introducing measures of the BEPS Inclusive Frameworks second component. The law regulates the implementation of the income inclusion rule outlined in the OECD Inclusive Frameworks in the UK. The legislation introduces two new

---

[56] Ibid.

[57] Ibid.

[58] Zuzana Blažejová, “EU Minimum Tax Directive Adopted by the Council,” *KPMG*, 2023, accessed May 15, 2024, https://www.danovky.sk/en/eu-minimum-tax-directive-adopted-by-the-council.

taxes - multinational top-up tax (MTUT) and domestic top-up tax (DTT) - and both will apply to large multinational enterprises for accounting periods beginning in 2024. The first one will apply to the "responsible member" of the relevant multinational group. A relevant multinational group will be considered a consolidated group if at least one of the members is not located in the same territory as the others and the group has global annual revenues exceeding €750 million in at least two of the four previous reporting periods. DTT complies with the "qualifying domestic minimum top-up tax" agreed upon by the OECD. This tax will apply to UK members of multinational corporations, members of UK businesses and stand-alone UK businesses for accounting periods from 2024 onwards.[59]

E. Deoffshorization Initiatives and Institutional Definition of Controlled Foreign Companies in the Russian Federation

In considering CFC rules as a promising tool for combating money laundering in the Commonwealth of Independent States (CIS) member countries, it should be noted that the Russian Federation was the first to take the initiative to implement them. Until recently, Russia's tax legislation practically lacked the tools for legal regulation associated with the prohibition of shifting the tax base outside the Russian Federation. This gap was filled in 2015, when the relevant legislation was supplemented with a number of provisions related to mechanisms, the implementation of which had a good effect abroad, in particular with regard to the taxation of CFCs.[60]

Referring to the historical and legal context, it is worth noting that Russia's Central Bank was the first to develop and apply regulation related to offshore activities. In particular, it was the first to define offshore zone residents. Moreover, it determined the procedures for currency regulation in tax havens, compiled a list of them, and formalized the procedure for reserving funds for credit institutions' operations with offshore zone residents. Another list of tax havens was approved by Order of the Ministry of Finance of the

---

[59] Carolyn Wright, "UK Passes Finance (No.2) Act 2023 Introducing OECD Pillar Two Measures," *Erns & Young,* 2023, accessed May 15, 2024, https://globaltaxnews.ey.com/news/2023-1243-uk-passes-finance-no2-act-2023-introducing-oecd-pillar-two-measures.

[60] Ludmila V. Polezharova and Kirill Lukyanets, "Deoffshorization of the Russian Economy: Forecast of Tax Revenues from Controlled Foreign Companies," *Economy. Taxes. Right* 3 (2016): 128–34.

Russian Federation No. 108n of 11 November 2007. To date, the list contains 42 territorial entities. A similar wording was used in a number of other regulations, including the Tax Code. The latter defines offshore zones as states and territories that provide preferential tax treatment and (or) do not provide for the disclosure and provision of information when conducting financial transactions.[61] With the adoption of the appropriate legislative regulation, the lists of tax havens predictably forced certain Russian companies to seek out new ways to work with offshore jurisdictions.[62] International legal initiatives to limit offshore practices in Russia were reflected in the country's accession to the FATF in 2003. In addition, Russia ratified the 1990 Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime (Strasbourg, the Council of Europe).[63]

The Russian president announced taking the course towards combating the concealment of income in offshore zones during his annual address to the Federal Assembly in 2013. It was proposed to extend profit taxation to companies owned by Russian citizens and registered in offshore jurisdictions. At the stage of bill approval, a controlled foreign company (CFC) was recognized as one that was registered in an offshore jurisdiction and whose share exceeded 10%. In the presented version, the draft law applied to both active and passive income abroad, which did not fit well with the requests of industrial sector representatives and entrepreneurs who expressed their disagreement with the proposed legislative initiatives. Ultimately, the legislator was forced to compromise, under pressure from large businesses, on increasing the share of ownership to recognize a foreign company as controlled. Later, a proposal was made to extend the draft law only to passive income.[64] Subsequently, government initiatives were stipulated in Federal Law No. 376-FZ of 24 November 2014 on Amendments to Parts One and Two of the Tax Code of the Russian Federation (regarding profit taxation of controlled foreign companies).[65] According to it, Russian

---

[61] State Duma, "Tax Code of the Russian Federation. Part Two," 2000, accessed May 15, 2024, https://docs.cntd.ru/document/901765862; UK Public General Acts, "Income Tax Act 2007."

[62] P. V. Pavlov, "Administrative and Legal Regulation of the Activities of Offshore Zones," *Bulletin of the Russian Customs Academy* 4 (2012): 54–9.

[63] Ibid.

[64] Evgenii N. Smirnov, "Deoffshorization of the Russian Economy: Evolution of Approaches and Main Priorities of the Current Stage," *Bulletin of the Peoples' Friendship University of Russia. Series: Economics* 27, no. 2 (2019): 353–65, https://doi.org/10.22363/2313-2329-2019-27-2-353-365.

[65] State Duma, "Federal Law No. 376-FZ of 24 November 2014 on Amendments

shareholders must pay taxes on retained profits of CFCs. A CFC profit is included in the taxable income of the controlling person, a resident of the Russian Federation, and is subject to either an individual income tax at a rate of 13% or a profit tax at a rate of 20%.[66] The law provides active foreign companies and, under certain conditions, active holding and active sub-holding organizations with the opportunity to exempt from corporate profit taxes.[67]

F. Clash of Practices: Inclusion of the Russian Federation in the European Union Tax Haven Blacklist and Prospects for Further Cooperation

Despite the goals declared by the Russian Federation in the fight against offshore companies, in 2023, the EU actually equated the Russian Federation itself with offshore jurisdictions. At the beginning of 2023, the Council of the European Union updated the so-called "black list" (EU list of non-cooperative jurisdictions for tax purposes) - a list of jurisdictions that do not cooperate with the EU on tax issues. Accordingly, to the official statement of the Council, Russia, the British Virgin Islands, the Marshall Islands and Costa Rica were added to the list. The Council noted that Russia "has not fulfilled its commitment to amend its harmful preferential tax regime".[68] Before that, Russia was listed in the so-called "gray list

---

to Parts One and Two of the Tax Code of the Russian Federation (regarding taxation of the profits of controlled foreign companies and income of foreign organizations)," 2014, accessed May 15, 2024, http://www.consultant.ru/document/cons_doc_LAW_171241/.

[66] Evgeniy Viktorovich Bushmin et al., "New CFC Rules: Avoiding Tax Evasion," *Biosciences Biotechnology Research Asia* 12, no. 1 (2015): 871–6.

[67] Sebastian Dzhalchinov, L. Charikova, and N. Rudomanov, "Changes in Taxation of Controlled Foreign Companies. Legislation Review," *Russian Taxation*, 2020, accessed May 15, 2024, http://www.russiantaxandcustoms.com/%D0%B8%D0%B7%D0%BC%D0%B5%D0%BD%D0%B5%D0%BD%D0%B8%D1%8F-%D0%B2-%D0%BD%D0%B0%D0%BB%D0%BE%D0%B3%D0%BE%D0%BE%D0%B1%D0%BB%D0%BE%D0%B6%D0%B5%D0%BD%D0%B8%D0%B8-%D0%BA%D0%BE%D0%BD%D1%82%D1%80%D0%BE%D0%BB/; Roman V. Veresha, "Criminal and Legal Characteristics of Criminal Intent," *Journal of Advanced Research in Law and Economics* 7, no. 21 (2016): 1881–90.

[68] Council of the European Union, "Annex the Council Conclusions on the Revised EU List of Non-Cooperative Jurisdictions for Tax Purposes," 2023, accessed May 15, 2024, https://data.consilium.europa.eu/doc/document/ST-6375-2023-INIT/en/pdf.

since February 2022 - in connection with the EU's claims to the regime of special administrative districts created on the Russky (Vladivostok) and Oktyabrsky (Kaliningrad region) islands. The latter were formed to return capital to Russian jurisdiction and to protect them from sanctions.[69] At the same time, several EU countries were removed from the "grey list". Herewith, Barbados, Jamaica, North Macedonia and Uruguay were excluded because they reformed their tax laws. Hong Kong, Malaysia and Qatar received deferrals to address inconsistencies with international tax competition standards [70] (Figure 3).

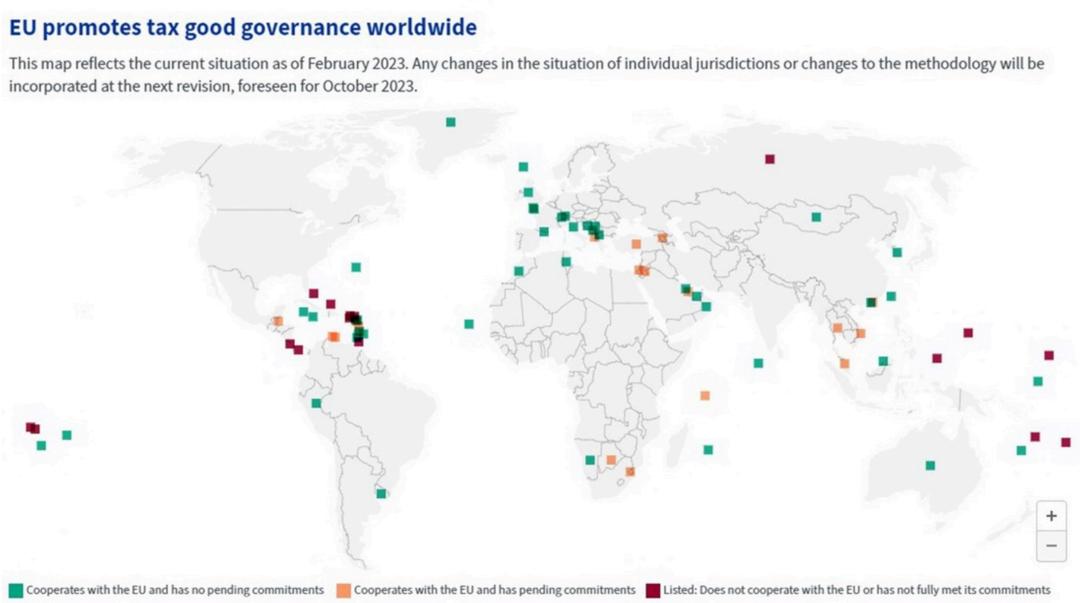

FIGURE 3. EU Cooperative and Non-cooperative Jurisdictions for Tax Purposes
Source: Council of the European Union [71]

Russia's blacklisting means that Russian businesses that retain ownership and operations of companies in the EU will obviously face additional tax costs and restrictions, as well as increased controls, including additional checks. Considering the importance of the legal regime of the Special Administrative Region as the main way to bring business to Russia from abroad under the sanctions, as well

---

[69] Pierre Levy, "EU Serves Moscow Its Terms for Russia's "Tax Havens"," *Intelligence Online,* 2021, accessed May 15, 2024, https://www.intelligenceonline.com/corporate-intelligence/2021/12/03/eu-serves-moscow-its-terms-for-russia-s--tax-havens,109708795-art.

[70] Council of the European Union, "Timeline - EU List of non-Cooperative Jurisdictions," 2023, accessed May 15, 2024, https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/timeline-eu-list-of-non-cooperative-jurisdictions/.

[71] Ibid.

as the EU's unwillingness to further dialogue on the removal of the country from the list, Russia may remain on it at least in the medium perspective.

G. Practices and Normative Trajectories of the UK, EU and RF on Deoffshorization in a Comparative Lens

A comparative analysis of the UK, the EU, and the Russian Federation reveals marked asymmetries in the political will, institutional consistency, and practical enforcement of deoffshorization policies. The British experience exhibits a paradoxical duality. On one hand, it formally aligns with OECD BEPS frameworks and has implemented legislative reforms aimed at regulating offshore trusts and increasing transparency. On the other hand, it remains one of the largest enablers of corporate tax abuse through its network of overseas territories and Crown dependencies.[72] This forms structural contradiction as being both a regulator and a systemic facilitator of tax avoidance the UK undermines the credibility and effectiveness of its regulatory stance. The European Union, by contrast, demonstrates a stronger degree of regulatory coherence, especially with instruments such as the Anti-Tax Avoidance Directive (ATAD)[73] and the 2022 Minimum Tax Directive.[74] The EU's supranational mechanisms allow for harmonized transposition of OECD standards into member state legislation. However, implementation remains uneven across the bloc, and tensions persist between national sovereignty and supranational standard-setting. Furthermore, the lack of enforcement mechanisms beyond blacklists, dealing mainly with issues of reputation, weakens the EU's long-term deterrent effect.[75] The Russian Federation, while making significant strides in

[72] KPMG, "Tax Transparency and Tax Sustainability Reporting Study 2024," *PWC*, 2024, accessed June 8, 2025, https://www.pwc.com/gx/en/services/tax/esg-tax/tax-transparency-and-tax-sustainability-reporting.html.

[73] European Union, "Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market," 2016, accessed June 8, 2025. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02016L1164-20220101.

[74] European Union, "Council Directive (EU) 2022/2523"

[75] KPMG, "Tax havens: EU blacklist - What companies should know," *KPMG*, 2024, accessed June 8, 2025. https://kpmg.com/de/en/home/insights/2024/04/tax-havens-eu-blacklist.html.

implementing CFC rules and creating a domestic offshore regime, displays a reactive and politically motivated approach. Its deoffshorization efforts often coincide with geopolitical concerns (e.g., sanctions and capital repatriation), rather than stemming from systemic fiscal transparency goals. The inclusion of Russia on the EU's blacklist in 2023 reflects not only technical non-compliance but also broader political disengagement from multilateral tax governance frameworks (Table 1). Notably, institutional independence and civil society involvement also vary greatly. The UK and EU benefit from a relatively robust presence of watchdog institutions and advocacy networks (e.g., TJN), which facilitate policy feedback and critical scrutiny. In contrast, in Russia, public debate around tax governance remains more restricted, with lower levels of institutional accountability and transparency. Ultimately, while all three jurisdictions formally participate in global tax governance initiatives, their regulatory trajectories are shaped by divergent institutional cultures, levels of political transparency, and geopolitical positioning. These differences affect not only the robustness of legal frameworks but also the practical enforcement and adaptability of anti-offshore measures in a rapidly evolving global context.

TABLE 1. Comparative Overview of Tax Regulations and BEPS Implementation in UK, EU, and Russian Federation

Criterion	United Kingdom	European Union	Russian Federation
Adoption of BEPS Action Plan	Full adoption (Finance Act 2015 –Diverted Profits Tax)	Adopted via ATAD, ATAD II; aligns with BEPS	Adopted selectively; focus on capital repatriation
Implementation of CFC Rules	Implemented: Taxation (International and Other Provisions) Act 2010	Mandatory via ATAD (since 2019)	Implemented (since 2015, Federal Law No. 376-FZ)
Public Beneficial Ownership Register	Implemented (since 2016, public register)	Implemented (Directive 2018/843)	Limited implementation; not fully public
Use of Offshore Trusts	Widespread use in Overseas Territories; partially restricted	Regulated differently by Member States; trusts often restricted	Use permitted; domestic offshore zones encouraged
Tax Haven Blacklist Status (EU)	Not listed; but Overseas Territories monitored	Maintains official blacklist of third countries	Listed as non-cooperative jurisdiction since 2023

As for CFCs, the experience of the UK, the EU and the Russian Federation demonstrates that the formal adoption of legislative norms does not always lead to their effective implementation and a noticeable reduction in the volume of aggressive tax planning. In the EU, the CFC mechanism was harmonized through ATAD, after which each member state was obliged to implement strict rules for the taxation of controlled foreign companies. Formally, this eliminated disparate approaches and created a single standard, but in practice, different states interpret the concepts of "actual economic activity" and "control" differently. Some countries introduce extensive exemptions for holding income, while others allow benefits for innovative projects.[76]

As a result, large companies build chains through EU jurisdictions with less stringent exceptions, keeping a significant portion of profits «in the shadows». Deoffshorization measures, such as a single register of beneficial owners (Directive 2018/843) and mandatory exchange of tax information, have indeed increased the level of transparency, but have encountered technical and institutional barriers. Thus, disparate national portals, different data update deadlines, and insufficient integration with third-country registers allow legal entities to violate disclosure requirements. Moreover, the introduction of a global minimum tax (Pillar Two) through Directive 2022/2523 is still in the implementation stage, and risks of double taxation or «gaps» have arisen due to mismatched implementation deadlines in different EU members. Reports of specialized NGOs of recent years[77] show that despite its strong regulatory framework, the EU has failed to achieve any significant reduction in aggressive tax planning. Particularly, companies shift IP income, online revenue and dividends to intermediary countries, where a combination of national rules and a lack of effective oversight creates a legal vacuum.

---

[76] Florencia Lorenzo, and Bob Michel, "EU Public Consultation on the Anti-Avoidance Directive," *Tax Justice,* 2024, accessed June 8, 2025. https://taxjustice.net/2024/11/07/eu-public-consultation-on-the-anti-avoidance-directive/; Christiana HJI Panayi, "Corporate Tax Reform in the European Union: Are the Stars Finally Aligned?" *Yearbook of European Law* 42 (2023): 232–61. https://doi.org/10.1093/yel/yead006.

[77] Vieri Ceriani, and Apostolos Thomadakis, EU Corporate Taxation in the Digital Era, CEPS-ECMI Task Force Report, Centre for European Policy Studies, 2023, accessed June 8, 2025, https://cdn.ceps.eu/wp-content/uploads/2023/09/CEPS-ECMI-Task-Force-Report-EU-corporate-taxation-in-the-digital-era.pdf; Jules Ducept, and Sarah Godar, Declining Effective Tax Rates of Multinationals: The Hidden Role of Tax Base Reforms, EU Tax Observatory Working Paper No. 30, EU Tax Observatory, 2025, accessed June 8, 2025, https://www.taxobservatory.eu/www-site/uploads/2025/04/WP30_The-Hidden-Role-of-Tax-Base-Reforms-1.pdf.

Russian regulations concerning CFCs have proven to be poorly adapted to the real capabilities of large holdings. At the same time, companies with controlled foreign structures often find loopholes through “special administrative regions” (SAR) on the Russky and Oktyabrsky islands, where the tax regime is close to the offshore one, but formally falls under Russian legislation.[78] At the same time, the inspection and additional assessment mechanism for CFCs is often slowed down due to a lack of qualified personnel, corruption risks and political interests. Herewith the judicial practice in disputes over CFCs still being rather inconsistent.

Interpreting the main message of numerous profile publications, one can conclude that in the Russian Federation, deoffshorization has become more of a slogan than a real practice. In this regard, formal mechanisms allow to block only a small share of withdrawal schemes, and special SAR regimes stimulate the emergence of new «protected offshores» on the territory of Russia.[79] In the context of sanctions and political alienation from international tax initiatives, adaptation to BEPS and Pillar Two is fragmentary and often delayed, which reduces the effect of the rules themselves.

In the United Kingdom, the CFC regime has undergone a major transformation since 2013 when amendments to the Taxation

---

[78] Anastasia P. Orlova, Igor A. Lebedev, and Nadezhda V. Kapustina, “Redomiciliation of Russian Companies in the Prism of Ensuring Economic Security of Business and the State,” *Public and Municipal Administration. Scientific Notes* 2 (2024): 134–9. https://doi.org/10.22394/2079-1690-2024-1-2-134-139; Anton V. Plotnikov, and Natalia A. Yagunova, “Ensuring Competitiveness as a Basis for Economic Security in the Context of Modern Political and Economic Turbulence,” *Technical and Technological Problems of Service* 1, no. 67 (2024): 92–6, accessed June 8, 2025, https://cyberleninka.ru/article/n/obespechenie-konkurentosposobnosti-kak-osnova-ekonomicheskoy-bezopasnosti-v-usloviyah-sovremennoy-politiko-ekonomicheskoy.

[79] Valeria V. Dzyubanova, and Madina T. Khodova, “Acquisition of the Status of an International Company in the Territory of Special Administrative Regions: Current Legal Trends in the Context of Tightening Sanctions Against Russia,” *Legal Science* 7 (2023): 117–9, accessed June 8, 2025, https://cyberleninka.ru/article/n/priobretenie-statusa-mezhdunarodnoy-kompanii-na-territorii-spetsialnyh-administrativnyh-rayonov-aktualnye-pravovye-tendentsii-v; Boris A. Kheifets, “Capital Export and Deoffshorization of the Russian Economy in the Context of the New Reality,” *Economic Security* 5, no. 3 (2022): 835–52, accessed June 8, 2025, https://elibrary.ru/item.asp?id=49225018; K. D. Goncharov, and A. A. Pakkar, “Organization of Activities in Low-Tax Jurisdictions in Russian Practice: Controlled Foreign Companies and Residence in Special Administrative Regions,” *Economics and Business: Theory and Practice* 5, no. 1 (2022): 190–3, https://doi.org/10.24412/2411-0450-2022-5-1-190-193.

(International and Other Provisions) Act 2010 made the British rules some of the strictest in the world. The very existence of these rules allowed HMRC (tax service) to monitor the structures of overseas companies controlled by UK residents and, under certain conditions, tax their income at the UK rate. However, in practice, the effectiveness of CFC regulation is more a symbolic achievement than a real reduction in profit outflow. Many large corporations find workarounds through jurisdictions with flexible transit tax regimes and so-called passive holdings that do not fall under the strict criteria of actual control.[80] In addition, the UK has a Diverted Profits Tax (DPT), which is designed to track the artificial transfer of profits, but its logic is more often corrective than preventive. DPT comes into force after the withdrawal schemes have been identified, and the rates (25%) allow some companies to calculate the costs of the "penalty" tax as the price of risk, without completely scaring off those who are ready for aggressive planning. At the same time, together with CbCR (Country-by-Country Reporting) and the public register of beneficiaries, the UK formally complies with international standards, but cannot show achievements in significantly reducing transfer pricing schemes and profit hiding. Modern research indicates that after the reforms, the share of profits redistributed through offshore companies has decreased only slightly, while administrative costs for businesses have increased.[81] Thus, the effectiveness of the British policy in the field of CFCs and deoffshorization is constrained by the continued attractiveness of dependent territories, as well as the relative «tolerance» of complex structures that formally bypass direct taxation.

---

[80] Thomas Brown, "Tax Implications of Corporate Profit Shifting," *House of Lords Library,* 2025, accessed June 8, 2025, https://lordslibrary.parliament.uk/tax-implications-of-corporate-profit-shifting/; Spencer Feingold, "Global Minimum Corporate Tax Deal 'Dramatically Weakened' by Loopholes, Report Warns," *WEForum*, 2023, accessed June 8, 2025, https://www.weforum.org/stories/2023/10/loopholes-weaken-minimum-global-corporate-15-percent-tax-eu/.

[81] Brown, "Tax Implications of Corporate Profit Shifting"; Leanna Reeves, "UK Companies Increased Profit Shifting during the COVID-19 Pandemic," *International Tax Review,* 2022, accessed June 8, 2025, https://www.internationaltaxreview.com/article/2a68rfy5bw2ycq1zyey1m/uk-companies-increased-profit-shifting-during-the-covid-19-pandemic.

H. Prospects for Legislative Regulation in the Field of Combating Tax Evasion against the Backdrop of Emerging Challenges

The current rules of international corporate taxation were underlined when entrepreneurial activities required the physical presence of a business entity in the place of such activities. However, the digital revolution has changed the current situation in global business. Today, when doing business requires no physical presence, companies make profits abroad, while paying almost no taxes.[82] In an effort to develop adequate regulatory tools to cut losses from the use of offshore mechanisms, the EU member states started to establish national digital levies to compensate for lost profits. At the same time, the OECD is trying to find a compromise solution for all stakeholders. Meanwhile, EU law requires consistency in approaches to legislative regulation to determine where profits should be taxed and avoid confusion among different tax rules. In particular, change in the value of the taxable presence may be one of the decisions as to whether a company can be taxed in a particular country. The European Commission proposes to set a threshold for the number of online users, considering such a measure as an indicator of whether a company should be taxed. Thus, more digital companies can be included in the country's tax base.[83] The European Union has proposed a reform, known as the Common Consolidated Corporate Tax Base (CCCTB) concept, which requires that all EU member states, or a group of them, develop a set of common rules for determining the tax base of companies operating in certain EU member states. This would empower taxation via a formulaic approach that measures business activity, among other things, based on metrics such as capital, workforce and/or sales.[84] This in turn should clarify the distribution of global

[82] Bas Jacobs, "Digitalization and Taxation," in *Digital Revolutions in Public Finance,* edited by M. S. Gupta, M. M. Keen, M. A. Shah, and M. G. Verdier (Washington: International Monetary Fund, 2017), 25–32.

[83] Krister Andersson, "Debate on the CCCTB: Comment on M. Nieminen: "Destination with Credit Formula": A Simple Add on that Would Make the CCCTB More Resilient to Tax Competition and Tax Planning," *Intertax* 47, no. 5 (2019): 499–503, https://doi.org/10.54648/taxi2019050; Danuše Nerudová and Veronika Solilová, "The Impact of the Introduction of a CCCTB in the EU," *Intereconomics* 54, no. 3 (2019): 160–5, https://doi.org/10.1007/s10272-019-0815-2.

[84] Christian Valenduc, "Corporate Income Tax in the EU, the Common Consolidated Corporate Tax Base (CCCTB) and Beyond: Is It the Right Way to Go?," *ETUI Research Paper-Working Paper,* 2018, accessed May 15, 2024,

transnational profits. A tax on revenue from digital activities can be seen as a promising measure. Such a tax can be applied to revenue generated from online users' activities, as an indicator. For example, online advertising or sales data.[85]

The OECD recognized the current situation as disastrous for low-income countries. In 2019, it first announced the need to rethink approaches to taxing multinational companies that use offshore jurisdictions and called for a methodology that applies proportional income distribution formulas. The proposed reforms based on the new approach boil down to two main ideas: defining the jurisdiction where the tax should be paid, relevant grounds, and the portion of profits subject to taxation; and introducing a minimum tax rate for multinational companies.[86] As regards tech giants operating in the EU, resent studies suggest that a possible solution could be a tax on the distributed global profits of multinational corporations. This will require Europe (and ultimately the world) to agree on enforced transparency in reporting on multinational corporations' profits. It is assumed that such a solution can become an effective fiscal policy tool not only as regards U.S. tech giants, but also for EU-based companies that evade taxes by shifting their fiscal address to countries with low tax rates.[87] In other words, this refers to the adoption of the Economic Substance Doctrine, which means that EU member states should prohibit tax breaks on a transaction if it has no economic substance or business purpose.[88]

In summer 2021, the G7 countries reached a certain consensus on the fair taxation of global companies operating in multiple countries. The advanced economies are expected to work together to get companies to pay more taxes in the countries where they sell their products or provide services, rather than where they ultimately declare their profits. Furthermore, it is envisaged to establish a global minimum tax rate so as to avoid countries undercutting each other with low tax rates.[89] Today, an open global register of legal

---

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=331612.

85 Joe Stanley-Smith, "EU to Redesign Tax Net to Catch Online Giants," *International Tax Review,* 2017, accessed May 15, 2024, https://www.internationaltaxreview.com/article/b1f7n9bj6d9mg8/eu-to-redesign-tax-net-to-catch-online-giants.

86 Deloitte, "BEPS 2.0. Reloading International Taxation," 2020, accessed May 15, 2024, https://www2.deloitte.com/content/dam/Deloitte/ru/Documents/tax/lt-in-focus/russian/2020/23-12-2020.pdf.

87 Saez and Zucman, "Taxjusticenow.org."

88 Ibid.

89 Faisal Islam, "G7: Rich Nations Back Deal to Tax Multinationals," *BBC*, 2021,

entities, which should unambiguously determine ultimate beneficiaries, appears to be a promising tool in countering the concealment of real incomes in offshore companies. A good example is the experience of the UK, where an online register of legal entities was launched in 2016. Despite the criticism and concerns of the business community over the increase in business costs and complexity of bureaucratic procedures, the authorities still managed to implement it in a fairly short time. At this stage, the register requires the publication of the ultimate beneficiaries, even if the share of the company is owned by a trust or firm.[90] In 2017, a similar mechanism was applied by the EU, which established a single register of companies, including all legal entities and trusts. The mechanism prohibits the registration of the company's management as owners of the company, reduces the minimum share of ownership in the company to identify the owners to 10%, and requires closure if its owner cannot be identified.

At the global level, the Legal Entity Identifier (LEI) project related to an international legal entity identification code (a new tool for transparency and speed in international business) looks promising. Such a standard is expected to unite information about companies into a single database, which will simplify the interaction between them. The publicly accessible LEI database can be considered an international reference that significantly boosts transparency in the global market.[91]

I. Prospects of the BEPS Plan as an Avant-Garde Instrument of Deoffshorization

While referring to the OECD's BEPS Action Plan as a potentially promising tool to counter base erosion and profit shifting, some of its initiatives have been less effective or faced some setbacks. In particular, the problem of insufficient participation of some countries can be noted: BEPS is an OECD initiative, and not all countries in the world are actively involved in its implementation. Some tax jurisdictions, especially small island states or tax havens, do not always agree to accept BEPS guidelines and standards.[92] In

accessed May 15, 2024, https://www.bbc.com/news/world-57368247.

90 Tsvigun, Kostyuchenko, and Chigir, "Global Deoffshorization," 58.

91 Ibid., 58.

92 A. A. Borozna, "OECD Contribution to the Deoffshorization of the Global Economy," *Google User Content,* 2022, accessed May 15, 2024, https://scholar.googleusercontent.com/scholar?q=cache:J8jouJz6TkgJ:scholar.google.com/+%D0%BF%D0%BB%D0%B0%D0%BD+BEPS+%D0%BF%D1%80%D0%BE%D0%B1%D0%BB%D0%B5%D0%BC%D1%96&hl=ru&as_sdt=0,5&a

addition, it's worth noting that the implementation of BEPS recommendations and standards varies from country to country. Some countries may be slow to implement and apply these measures, which may make it difficult to achieve the desired results. Certain barriers are due to the complexity of international tax law: the latter s a complex area and its application and interpretation may vary from country to country. This can create difficulties in the effective implementation of BEPS initiatives. At the same time, it should be understood that BEPS is a multi-stakeholder initiative, but its implementation does not provide a fully comprehensive global solution to base erosion and profit shifting issues. It promotes coordination and cooperation among countries, but further work is still needed to reach a broad consensus and effectively address this issue.[93]

Summing up one may note that the area of tax havens is constantly evolving and changing in accordance with modern trends and regulatory changes. The main ones are increased regulation (introduced more regulatory requirements aimed at increasing transparency and combating money laundering), streamlining information exchange procedures (particularly through new ICT tools), an increasing desire for transparency and a gradual move away from anonymity (disclosure of information about the real owners of companies and beneficial owners). Nevertheless, some countries still seek to attract foreign investment by creating new tax havens or special economic zones. Speaking about the mechanisms of counteracting the negative impact of offshore zones on the development of national economies, in real time the controlling authorities need to monitor not only transactions with offshore zones, but also with countries that are not officially considered as such, but provide almost similar opportunities. World experience indicates that the governments of many countries are changing the vector of their fight against capital outflow, which was mostly limited to the creation of additional regulatory mechanisms. It became clear that the main problem here is the lack of complete information about counterparties engaged in foreign economic activity. International cooperation and multilateral agreements on

---

s_ylo=2022.

93 Alexander V. Demin and Alexey V. Nikolaev, "The Beneficial Owner Concept in the Context of Beps: Problems and Prospects," *Financial Law Review* 13 (2019): 1–14, https://doi.org/10.4467/22996834flr.19.001.10277; Nadezhda Mixajlovna Yarceva and Evgeny Vladimirovich Gorovoy, "BEPS Plan: New Rules of Transfer Pricing Administration," *Russian Foreign Economic Journal* 10 (2016): 93–103.

the exchange of information that indicates tax evasion should become a reliable foundation for strengthening the mechanisms for countering the negative impact of offshore zones on the development of the country's economy. Ideally, there should be created conditions in each national economy under which the withdrawal of capital will become impractical and economically unprofitable. This might be the most effective way to combat the negative impact of offshore zones on the development of the national economies.

Conclusion

Despite the formal implementation of international standards of tax transparency and anti-offshore regulation in jurisdictions such as the UK, the European Union and the Russian Federation, real results in terms of deoffshorization, combating aggressive tax planning and effective application of CFC rules remain limited. All three jurisdictions demonstrate different institutional approaches, but face similar systemic problems: legal loopholes, political and economic compromises and limited effectiveness of control.

Currently, the factors contributing to the popularity of offshore jurisdictions include the stability of the internal political and economic situation, political flexibility, and willingness to cooperate with international organizations. From the public perspective, the latter may somewhat soften the perception of a tax haven as an instrument of tax evasion. Fiscal authorities, however, are certain that tax havens pose a threat to national economies. Shared by governments and international organizations, this opinion has recently become more distinct. A typical example is the UK that tightens legislative regulation to ensure business transparency, openness of information about the final beneficiary, online registration of legal entities. Although such measures are not a breakthrough and seem obvious, the actions of the British government indicate its growing engagement in the deoffshorization of businesses. This is indicative since the UK jurisdiction covers a significant part of the global offshore companies. Thus, the EU initiatives are aimed at changing the meaning of taxable presence, and it is safe to assume that this measure will soon be widespread in the European Union.

Confirmation by the European Commission of the compatibility of OECD documents on BEPS (Inclusive Frameworks) with the recently adopted Minimum Tax Directive will require EU Member States to adapt domestic legislation to both the Directive and the BEPS rules. As Member States continue their legislative adaptation processes, covered enterprises will need to carefully assess local regulations made in accordance with the Directive, and the consistency of the Directive and BEPS Inclusive Frameworks.

With regard to the UK, there is no reason yet to say that British legislation will undergo significant changes in the near future in connection with the adoption of the BEPS Inclusive Frameworks, since the recently adopted legislation at the moment looks quite holistic. At the same time, the effectiveness of its mechanisms of action, as well as its implementation at the law enforcement level, will require the test of time.

CFC rules still being a promising mechanism allowing the authorities to tax residents' foreign profit. The rules are expanding the scope of their territorial coverage beyond the borders of the OECD countries, as evidenced by the example of Russia. Regarding the latter, it should be noted that there is no reason yet to say that the legislative regulation of the Russian Federation in this area will expand. Currently, the Russian Federation is more concerned about the issues of capital repatriation and against this background, questions about "anti-offshore" legislation are relegated to secondary roles. However, at the moment, neither in the UK, nor in the EU, nor in the Russian Federation have formal legislative tightening of CFCs and promises of deoffshorization turned into a long-term and comprehensive tool for combating tax evasion. Real results of deterrence are based not only on the quality of the text of the law, but also on institutional will, administrative resources, technical capabilities for information exchange and political independence of tax authorities. Without eliminating gray areas in intermediary jurisdictions and without unifying approaches to the concept of «actual economic activity», the risks of aggressive planning will remain, and budget losses against the backdrop of digital transformation will not only not decrease, but contrary - may increase. In terms of deoffshorization, modern ICT tools deserve special attention. Improving the technical capabilities for the use of the legal entity identification code gives the technology every chance to enter the interstate level. At the same time, the need to develop new legal instruments related to data exchange and improve the existing ones is expected.

The issues of improving policies for all three jurisdictions have distinct specifics. For the UK, this means strengthening control over overseas territories, ensuring their full tax and legal transparency in accordance with the BEPS principles, as well as increasing the transparency of trusts and other indirect forms of ownership, including mandatory data exchange with international registers. For the EU, this means the need for a unified interpretation of CFC and substance rules within the ATAD framework, eliminating arbitrary national interpretations. In addition, it is important to ensure a pan-European mechanism of sanctions for non-compliance with global and regional standards (outside the "black lists"). For the Russian Federation, the prospects for improving legislative regulation lie in the plane of ensuring real publicity of information on ultimate beneficiaries and genuine control over trusts. In addition, it seems important to simplify and automate the procedure for disclosing information on CFCs while simultaneously tightening sanctions for evasion. At the same time, the importance of integration into international initiatives for the exchange of tax information, including BEPS standards, remains, even with limited foreign policy cooperation. Given the current theoretical and practical limitations, further research on the intersection of corporate law and the impact of tax havens on public policy can be aimed at studying the legislative regulation as regards CFCs in nations where such category is at the stage of lawmaking and is considered to be a promising legal instrument.

References

Alimova-Nefedova, M. B. "OECD and Deoffshorization of European Dwarf States." *Law Enforcement* 6, no. 3 (2022): 134–46. https://doi.org/10.52468/2542-1514.2022.6(3).134-146.

Andersson, Krister. "Debate on the CCCTB: Comment on M. Nieminen: "Destination with Credit Formula": A Simple Add on that Would Make the CCCTB More Resilient to Tax Competition and Tax Planning." *Intertax* 47, no. 5 (2019): 499–503. https://doi.org/10.54648/taxi2019050

Azam, Rifat. "Ruling the World: Generating International Tax Norms in the Era of Globalization and BEPS." *Suffolk University Law Review* 50 (2017): 517.

Blažejová, Zuzana. "EU Minimum Tax Directive Adopted by the Council." *KPMG*, 2023. Accessed May 15, 2024. https://www.danovky.sk/en/eu-minimum-tax-directive-adopted-by-the-council.

Bodrov, Alexey G. "Offshore as an Instrument of Corruption in Russia." *Interactive Science* 4, no. 69 (2022): 7–17. https://cyberleninka.ru/article/n/offshor-kak-instrument-korruptsii-v-rossii.

Borozna, A. A. "OECD Contribution to the Deoffshorization of the Global Economy." *Google User Content*, 2022. Accessed May 15, 2024.

https://scholar.googleusercontent.com/scholar?q=cache:J8jouJz6TkgJ:scholar.google.com/+%D0%BF%D0%BB%D0%B0%D0%BD+BEPS+%D0%BF%D1%80%D0%BE%D0%B1%D0%BB%D0%B5%D0%BC%D1%96&hl=ru&as_sdt=0,5&as_ylo=2022.

Bou Mansour, Mark. "$427bn Lost to Tax Havens Every Year: Landmark Study Reveals Countries' Losses and Worst Offenders." *Tax Justice Network,* 2020. Accessed May 15, 2024. https://taxjustice.net/2020/11/20/427bn-lost-to-tax-havens-every-year-landmark-study-reveals-countries-losses-and-worst-offenders/.

Bou Mansour, Mark. "Tax Haven Ranking Shows Countries Setting Global Tax Rules Do Most to Help Firms Bend Them." *Tax Justice Network,* 2021. Accessed May 15, 2024. https://taxjustice.net/press/tax-haven-ranking-shows-countries-setting-global-tax-rules-do-most-to-help-firms-bend-them/.

Brainerd, Jackson. "States Eye Tax Havens." *National Conference of State Legislation,* 2016. Accessed May 15, 2024. https://www.ncsl.org/research/fiscal-policy/states-eye-tax-havens.aspx.

Brown, Thomas. "Tax Implications of Corporate Profit Shifting." *House of Lords Library,* 2025. Accessed June 8, 2025. https://lordslibrary.parliament.uk/tax-implications-of-corporate-profit-shifting/.

Buckland, Edward. "The Offshore Trust Industry's Biggest Enemy… Itself??" *Trusts & Trustees* 25, no. 7 (2019): 747–52. https://doi.org/10.1093/tandt/ttz061.

Bushmin, Evgeniy Viktorovich, Natalia Borisovna Pochinok, Valeria Vyacheslavovna Efremova, Olga Jurjevna Bakhtina, and Aleksandra Andreevna Kalinina. "New CFC Rules: Avoiding Tax Evasion." *Biosciences Biotechnology Research Asia* 12, no. 1 (2015): 871–6.

Campbell, Aretha M. *Money Laundering, Terrorist Financing, and Tax Evasion.* Cham: Palgrave Macmillan, 2023. https://doi.org/10.1007/978-3-030-68876-9.

Ceriani, Vieri, and Apostolos Thomadakis. EU Corporate Taxation in the Digital Era. CEPS-ECMI Task Force Report, Centre for European Policy Studies, 2023. Accessed June 8, 2025. https://cdn.ceps.eu/wp-content/uploads/2023/09/CEPS-ECMI-Task-Force-Report-EU-corporate-taxation-in-the-digital-era.pdf.

Chernov, Sergei B., and Alexandra V. Zakharova. "Institutional Aspects of Taxation: Economic Security and Activities of an Economic Entity." *Economic Sciences* 196 (2021): 196–200. https://doi.org/10.14451/1.196.196.

Clayton, Christopher, Antonio Coppola, Amanda Dos Santos, Matteo Maggiori, and Jesse Schreger. "China in Tax Havens (No. w30865)." *National Bureau of Economic Research*, 2023. Accessed May 15, 2024. https://www.nber.org/papers/w30865.

Cobham, Alex, Javier Garcia-Bernardo, Miroslav Palansky, and Mark Bou Mansour. "The State of Tax Justice 2020: Tax Justice in the Time of COVID-19." *Tax Justice Network*, 2020. Accessed May 15, 2024. https://taxjustice.net/wp-content/uploads/2020/11/The_State_of_Tax_Justice_2020_ENGLISH.pdf.

Council of the European Union. "Annex the Council Conclusions on the Revised EU List of Non-Cooperative Jurisdictions for Tax Purposes." 2023. Accessed May 15, 2024. https://data.consilium.europa.eu/doc/document/ST-6375-2023-INIT/en/pdf.

Council of the European Union. "Timeline - EU List of Non-Cooperative Jurisdictions." 2023. Accessed May 15, 2024. https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/timeline-eu-list-of-non-cooperative-jurisdictions/.

Deloitte. "BEPS 2.0. Reloading International Taxation." 2020. Accessed May 15, 2024. https://www2.deloitte.com/content/dam/Deloitte/ru/Documents/tax/lt-in-focus/russian/2020/23-12-2020.pdf.

Demin, Alexander V., and Alexey V. Nikolaev. "The Beneficial Owner Concept in the Context of Beps: Problems and Prospects." *Financial Law Review* 13 (2019): 1–14. https://doi.org/10.4467/22996834flr.19.001.10277.

Dergachev, V. A. "The Influence of Offshore Business on the Economy of Ukraine." *Economic Innovations* 52 (2013): 66–82.

Dergacheva, N. V., and R. R. Kutateladze. "Tax Harbor and Tax Evasion." In *Topical Issues of Modern Economics,* 181–4. Astrakhan: Federal State Budgetary Educational Institution of Higher Professional Education "Astrakhan State University", 2020.

Ducept, Jules, and Sarah Godar. Declining Effective Tax Rates of Multinationals: The Hidden Role of Tax Base Reforms. EU Tax Observatory Working Paper No. 30. EU Tax Observatory, 2025. Accessed June 8, 2025. https://www.taxobservatory.eu/www-site/uploads/2025/04/WP30_The-Hidden-Role-of-Tax-Base-Reforms-1.pdf.

Dueñas, Sebastian. CFC Rules Around the World. Washington: Tax Foundation, 2019.

Dzhalchinov, Sebastian, L. Charikova, and N. Rudomanov. "Changes in Taxation of Controlled Foreign Companies. Legislation Review." *Russian Taxation*, 2020. Accessed May 15, 2024. http://www.russiantaxandcustoms.com/%D0%B8%D0%B7%D0%BC%D0%B5%D0%BD%D0%B5%D0%BD%D0%B8%D1%8F-%D0%B2-%D0%BD%D0%B0%D0%BB%D0%BE%D0%B3%D0%BE%D0%BE%D0%B1%D0%BB%D0%BE%D0%B6%D0%B5%D0%BD%D0%B8%D0%B8-%D0%BA%D0%BE%D0%BD%D1%82%D1%80%D0%BE%D0%BB/.

Dzyubanova, Valeria V., and Madina T. Khodova. "Acquisition of the Status of an International Company in the Territory of Special Administrative Regions: Current Legal Trends in the Context of Tightening Sanctions Against Russia." *Legal Science* 7 (2023): 117–9. Accessed June 8, 2025. https://cyberleninka.ru/article/n/priobretenie-statusa-mezhdunarodnoy-kompanii-na-territorii-spetsialnyh-administrativnyh-rayonov-aktualnye-pravovye-tendentsii-v.

European Parliament and Council of the European Union. "Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU." 2018. Accessed May 15, 2024. https://zakon.rada.gov.ua/laws/show/984_010-18#Text.

European Union. "Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market." 2016. Accessed June 8, 2025. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02016L1164-20220101.

European Union. "Council Directive (EU) 2022/2523 of 14 December 2022 on Ensuring a Global Minimum Level of Taxation for Multinational Enterprise Groups and Large-Scale Domestic Groups in the Union." 2022. Accessed May 15, 2024. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022L2523.

Feingold, Spencer. "Global Minimum Corporate Tax Deal 'Dramatically Weakened' by Loopholes, Report Warns." *WEForum*, 2023. Accessed June 8, 2025. https://www.weforum.org/stories/2023/10/loopholes-weaken-minimum-global-corporate-15-percent-tax-eu/.

Gardner, Matthew, and Steve Wamhoff. "55 Corporations Paid $0 in

Federal Taxes on 2020 Profits." *Institute on Taxation and Economic Policy,* 2021. Accessed May 15, 2024. https://itep.org/55-profitable-corporations-zero-corporate-tax/.

Gilmour, Paul Michael. "Reexamining the Anti-Money-Laundering Framework: A Legal Critique and New Approach to Combating Money Laundering." *Journal of Financial Crime* 30, no. 1 (2022): 35–47. https://doi.org/10.1108/JFC-02-2022-0041.

Goncharov, K. D., and A. A. Pakkar. "Organization of Activities in Low -Tax Jurisdictions in Russian Practice: Controlled Foreign Companies and Residence in Special Administrative Regions." *Economics and Business: Theory and Practice* 5, no. 1 (2022): 190–3. https://doi.org/10.24412/2411-0450-2022-5-1-190-193.

Haberly, Dan, Tom Shipley, and Robert Barrington. "Corruption, Shell Companies and Offshore Financial Secrecy: Directions for Anti-Corruption Policy." Centre for the Study of Corruption, University of Sussex, 2023. Accessed May 15, 2024. https://ace.globalintegrity.org/wp-content/uploads/2023/06/GI-ACE-Financial-Secrecy-report-D.-Haberly-June-2023.pdf.

HM Revenue and Customs, HM Treasury. "Offshore Trusts: Anti-Avoidance." *GOV.UK,* 2017. Accessed May 15, 2024. https://www.gov.uk/government/publications/offshore-trusts-anti-avoidance/offshore-trusts-anti-avoidance.

Holovko, A. H. "The Essence of Offshore and Their Influence on Foreign Economic Activity." *Master's Thesis,* Sumy State University, 2020. https://essuir.sumdu.edu.ua/handle/123456789/81833.

Isaak, Anna. "Revealed: Rishi Sunak "Listed in Tax Haven as Trust Beneficiary" While Chancellor." *Independent*, 2022. Accessed May 15, 2024. https://www.independent.co.uk/news/uk/politics/rishi-sunak-akshata-murty-tax-haven-b2054179.html.

Islam, Faisal. "G7: Rich Nations Back Deal to Tax Multinationals." *BBC*, 2021. Accessed May 15, 2024. https://www.bbc.com/news/world-57368247.

Jacobs, Bas. "Digitalization and Taxation." In *Digital Revolutions in Public Finance,* edited by M. S. Gupta, M. M. Keen, M. A. Shah, and M. G. Verdier, 25–32. Washington: International Monetary Fund, 2017.

Jones, Chris, Yama Temouri, and Alex Cobham. "Tax Haven Networks and the Role of the Big 4 Accountancy Firms." *Journal of World Busines* 53, no. 2 (2018): 177–93. https://doi.org/10.1016/j.jwb.2017.10.004.

Khalatur, Svitlana, Gediminas Radzevicius, Liudmyla Velychko, Valeriia Fesenko, and Lesia Kriuchko. "Global Deoffshorization and Its Impact on the National and Regional Economies of Eastern European Countries." *Problems and Perspectives in Management* 17, no. 3 (2023): 293–305. http://dx.doi.org/10.21511/ppm.17(3).2019.24.

Kheifets, Boris A. "Capital Export and Deoffshorization of the Russian Economy in the Context of the New Reality." *Economic Security* 5, no. 3 (2022): 835–52. Accessed June 8, 2025. https://elibrary.ru/item.asp?id=49225018.

KPMG. "Tax havens: EU blacklist - What companies should know." *KPMG*, 2024. Accessed June 8, 2025. https://kpmg.com/de/en/home/insights/2024/04/tax-havens-eu-blacklist.html.

KPMG. "Tax Transparency and Tax Sustainability Reporting Study 2024." *PWC*, 2024. Accessed June 8, 2025. https://www.pwc.com/gx/en/services/tax/esg-tax/tax-transparency-and-tax-sustainability-reporting.html.

Lénártová, Gizela. "The Economic and Social Consequences of Tax Havens in the World." In *Current Problems of the Corporate Sector 2020,* edited by D. Hrušovská, M. Kmety Barteková, and M. Kozáková, Vol. 83, Article 01041 (Les Ulis: EDP Sciences, 2020). https://doi.org/10.1051/shsconf/20208301041.

Levy, Pierre. "EU Serves Moscow Its Terms for Russia's "Tax Havens"." *Intelligence Online*, 2021. Accessed May 15, 2024. https://www.intelligenceonline.com/corporate-intelligence/2021/12/03/eu-serves-moscow-its-terms-for-russia-s--tax-havens,109708795-art.

Lewellen, Christina M. "Tax Haven Incorporation and Financial Reporting Transparency." *SSRN 3888383* (2021). https://dx.doi.org/10.2139/ssrn.3888383.

Liedtke, Michael, and Jonathan Mattise. "Leaked 'Pandora Papers' Expose How Billionaires and Corrupt Leaders Hide Wealth." *Guardian (Sydney)* 1982 (2021): 12. https://search.informit.org/doi/abs/10.3316/INFORMIT.117531115133043.

Lorenzo, Florencia, and Bob Michel. "EU Public Consultation on the Anti-Avoidance Directive." *Tax Justice*, 2024. Accessed June 8, 2025. https://taxjustice.net/2024/11/07/eu-public-consultation-on-the-anti-avoidance-directive/.

Makortoff, Kalyeena. "UK Climbs Ranking of Tax Havens, Campaign Group Warns." *The Guardian,* 2020. Accessed May 15, 2024. https://www.theguardian.com/world/2020/feb/18/uk-climbs-ranking-of-tax-havens-campaign-group-warns.

Nerudová, Danuše, and Veronika Solilová. "The Impact of the Introduction of a CCCTB in the EU." *Intereconomics* 54, no. 3 (2019): 160–5. https://doi.org/10.1007/s10272-019-0815-2.

O'Donovan, James, Hannes F. Wagner, and Stefan Zeume. "The Value of Offshore Secrets: Evidence from the Panama Papers." *The Review of Financial Studies* 32, no. 11 (2019): 4117–55. https://doi.org/10.1093/rfs/hhz017.

OECD. "About the Dataset Controlled Foreign Company (CFC) Rules." 2021. Accessed May 15, 2024. https://qdd.oecd.org/subject.aspx?Subject=CFC.

OECD. "Action 3 Controlled Foreign Company." 2021. Accessed May 15, 2024. https://www.oecd.org/tax/beps/beps-actions/action3/.

OECD. "Base Erosion and Profit Shifting Project Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on The Global Antibase Erosion Model Rules (Pillar Two) Inclusive Framework on BEPS." 2021. Accessed May 15, 2024. https://www.oecd.org/tax/beps/tax-challenges-arising-from-the-digitalisation-of-the-economy-global-anti-base-erosion-model-rules-pillar-two.htm.

OECD. "Controlled Foreign Company (CFC) Rules." 2021. Accessed May 15, 2024. https://qdd.oecd.org/data/CFC/.ALL.

OECD. "OECD/G20 Base Erosion and Profit Shifting Project Safe Harbours and Penalty Relief: Global Anti-Base Erosion Rules (Pillar Two) Inclusive Framework on BEPS." 2022. Accessed May 15, 2024. https://www.oecd.org/tax/beps/safe-harbours-and-penalty-relief-global-anti-base-erosion-rules-pillar-two.pdf.

Office of Tax Simplification Policy Paper. "OTS Capital Gains Tax Review: Simplifying Practical, Technical and Administrative Issues." 2021. Accessed May 15, 2024. https://www.gov.uk/government/publications/ots-capital-gains-tax-review-simplifying-practical-technical-and-administrative-issues.

Orlova, Anastasia P., Igor A. Lebedev, and Nadezhda V. Kapustina. "Redomiciliation of Russian Companies in the Prism of Ensuring Economic Security of Business and the State." *Public and Municipal Administration. Scientific Notes* 2 (2024): 134–9. https://doi.org/10.22394/2079-1690-2024-1-2-134-139.

Owens, Jeffrey, and Pascal Saint-Amans. "Countering Offshore Tax Evasion. Some Questions." *OECD*, 2009. Accessed May 15, 2024. https://web-archive.oecd.org/2012-06-14/119255-42469606.pdf.

Panayi, Christiana HJI. "Corporate Tax Reform in the European

Union: Are the Stars Finally Aligned?" *Yearbook of European Law* 42 (2023): 232–61. https://doi.org/10.1093/yel/yead006.

Pavlov, P. V. "Administrative and Legal Regulation of the Activities of Offshore Zones." *Bulletin of the Russian Customs Academy* 4 (2012): 54–9.

Plotnikov, Anton V., and Natalia A. Yagunova. "Ensuring Competitiveness as a Basis for Economic Security in the Context of Modern Political and Economic Turbulence." *Technical and Technological Problems of Service* 1, no. 67 (2024): 92–6. Accessed June 8, 2025. https://cyberleninka.ru/article/n/obespechenie-konkurentosposobnosti-kak-osnova-ekonomicheskoy-bezopasnosti-v-usloviyah-sovremennoy-politiko-ekonomicheskoy.

Polezharova, Ludmila V., and Kirill Lukyanets. "Deoffshorization of the Russian Economy: Forecast of Tax Revenues from Controlled Foreign Companies." *Economy. Taxes. Right* 3 (2016): 128–34.

Reeves, Leanna. "UK Companies Increased Profit Shifting during the COVID-19 Pandemic." *International Tax Review*, 2022. Accessed June 8, 2025. https://www.internationaltaxreview.com/article/2a68rfy5bw2ycq1zyey1m/uk-companies-increased-profit-shifting-during-the-covid-19-pandemic.

Reinhardt, Roman O. "Offshores: 'Treasure Islands' or Geopolitical Traps?" *Financial Business* 4 (2013): 57–60. https://www.elibrary.ru/start_session.asp?rpage=https%3A%2F%2Fwww%2Eelibrary%2Eru%2Fitem%2Easp%3Fid%3D19693241.

Remeur, Cecile. "Listing of Tax Havens by the EU." *European Parliament,* 2018. Accessed May 15, 2024. https://www.europarl.europa.eu/cmsdata/147404/7%20-%2001%20EPRS-Briefing-621872-Listing-tax-havens-by-the-EU-FINAL.PDF.

Revina, Svetlana Nikolaevna, Pavel Alexandrovich Paulov, and Anna Viktorovna Sidorova. "Regulation of Tax Havens in the Age of Globalization and Digitalization." In *Digital Transformation of the Economy: Challenges, Trends and New Opportunities,* edited by S. Ashmarina, A. Mesquita, and M. Vochozka, 88–95. Cham: Springer, 2020. https://doi.org/10.1007/978-3-030-11367-4_8.

Saez, Emmanuel, and Gabriel Zucman. "Taxjusticenow.org: Tax Simulator Description." *Berkeley*, 2019. Accessed May 15, 2024. https://eml.berkeley.edu/~saez/taxsimulator.pdf.

Smirnov, Evgenii N. "Deoffshorization of the Russian Economy:

Evolution of Approaches and Main Priorities of the Current Stage." *Bulletin of the Peoples' Friendship University of Russia. Series: Economics* 27, no. 2 (2019): 353–65. https://doi.org/10.22363/2313-2329-2019-27-2-353-365.

Smirnova, Elena, Igor Okhrimenko, and Aleksandra Zakharova. "Review of Best Practices in Self-Employment Taxation." *Public Organization Review* 24 (2024): 299–314. https://doi.org/10.1007/s11115-022-00604-1.

Sobaschuk, R. Y., and E. Y. Sobaschuk. "Analysis of the Historical Development of Offshore Zones." In *Research into Various Areas of Modern Science*, 82–5. Moscow: Scientific and Publishing Center Empire, 2022. https://www.elibrary.ru/item.asp?id=50221261.

Stanley-Smith, Joe. "EU to Redesign Tax Net to Catch Online Giants." *International Tax Review*, 2017. Accessed May 15, 2024. https://www.internationaltaxreview.com/article/b1f7n9bj6d9mg8/eu-to-redesign-tax-net-to-catch-online-giants.

State Duma. "Federal Law No. 376-FZ of 24 November 2014 on Amendments to Parts One and Two of the Tax Code of the Russian Federation (regarding taxation of the profits of controlled foreign companies and income of foreign organizations)." 2014. Accessed May 15, 2024. http://www.consultant.ru/document/cons_doc_LAW_171241/.

State Duma. "Tax Code of the Russian Federation. Part Two." 2000. Accessed May 15, 2024. https://docs.cntd.ru/document/901765862

Trigub, E. Y. "Promising Trends to Improve the Deoffshorization Policy: World and Russian Practice." *University Bulletin* 86 (2023): 171. https://vestnik.guu.ru/jour/issue/download/86/86#page=171.

Tsvigun, Irina V., Dmitriy Kostyuchenko, and Marina Chigir. "Global Deoffshorization: Basic Approaches and Obstacles to Their Implementation." *Discourse* 4, no. 3 (2018): 55–63. https://doi.org/10.32603/2412-8562-2018-4-3-55-63.

UK Public General Acts. "Income Tax (Trading and Other Income) Act 2005." *Legislation.gov.uk,* 2005. Accessed May 15, 2024. https://www.legislation.gov.uk/ukpga/2005/5/contents/enacted.

UK Public General Acts. "Income Tax Act 2007." *Thomson Reuters Practical Law,* 2007. Accessed May 15, 2024. https://uk.practicallaw.thomsonreuters.com/Cosi/SignOn?redirectTo=%2f6-506-0118%3ftransitionType%3dDefault%26contextData%3d(sc.Defa ult)%26firstPage%3dtrue.

UK Public General Acts. "Taxation of Chargeable Gains Act 1992." *Legislation.gov.uk,* 1992. Accessed May 15, 2024. https://www.legislation.gov.uk/id?title=Taxation+of+Chargeable+Gains+Act+1992.

Valenduc, Christian. "Corporate Income Tax in the EU, the Common Consolidated Corporate Tax Base (CCCTB) and Beyond: Is It the Right Way to Go?" *ETUI Research Paper-Working Paper,* 2018. Accessed May 15, 2024. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=331612.

Veresha, Roman V. "Criminal and Legal Characteristics of Criminal Intent." *Journal of Advanced Research in Law and Economics* 7, no. 21 (2016): 1881–90.

Wallach, Omri. "Mapped: The World's Biggest Private Tax Havens." *Visual Capitalist,* 2021. Accessed May 15, 2024. https://www.visualcapitalist.com/worlds-biggest-private-tax-havens/.

Wright, Carolyn. "UK Passes Finance (No.2) Act 2023 Introducing OECD Pillar Two Measures." *Erns & Young*, 2023. Accessed May 15, 2024. https://globaltaxnews.ey.com/news/2023-1243-uk-passes-finance-no2-act-2023-introducing-oecd-pillar-two-measures.

Wutkowski, Karey. "US Banks Getting Help Have Units in Tax Havens -GAO." *Reuters*, 2009. Accessed May 15, 2024. https://www.reuters.com/article/idUSN16304726/.

Yarceva, Nadezhda Mixajlovna, and Evgeny Vladimirovich Gorovoy. "BEPS Plan: New Rules of Transfer Pricing Administration." *Russian Foreign Economic Journal* 10 (2016): 93–103.

Zarubina, N. P., and A. E. Kosenko. "Special Economic Zones, Special Port Zones, Offshore Zones as Legal Forms for Attracting Investors." *Scientific Notes of PNU* 5, no. 4 (2014): 903–8. https://www.elibrary.ru/item.asp?id=22674782.

***

Acknowledgment
None

Funding Information
None

Conflicting Interest Statement
The authors state that there is no conflict of interest in the publication of this article.

History of Article
Submitted : January 28, 2025
Revised : June 10, 2025
Accepted : July 17, 2025
Published : November 17, 2025