User Guide
to the GLOBE registration form

for the top-up tax liability registration and on reporting certain corporate details of the group pursuant to Section 44 (1) of Act LXXXIV of 2023 on Top-Up Taxes Ensuring a Global Minimum Level of Taxation and on the Amendment of Certain Related Tax Laws

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I. General Information

1. What is the GLOBE reporting registration form for?

On the GLOBE form, for the tax year affected, beginning in 2024, the top-up tax liability ensuring the global minimum tax level and certain data of the multinational enterprise group, large-scale domestic group must be reported as well as corrections to previously reported data must be provided.

2. Who does it apply to?

According to Act LXXXIV of 2023 on Top-Up Taxes Ensuring a Global Minimum Level of Taxation and on the Amendment of Certain Related Tax Laws, the report must be submitted by constituent entities of MNE groups and large-scale domestic groups resident in Hungary which have an annual revenue of EUR 750.000.000 or more, including the revenue of the excluded entities in its parent entity's consolidated financial statements in at least two of the four fiscal years immediately preceding the tested fiscal year. [Global Minimum Tax Act, Sections 1 and 44. (1)]

Joint Ventures are included among the domestic Constituent Entities of MNE groups and large-scale domestic groups, resident in Hungary. Joint Venture means an entity, whose financial results are reported under the equity method in the Consolidated Financial Statements of the Ultimate Parent Entity provided that the Ultimate Parent Entity holds directly or indirectly at least 50% of its Ownership Interests. [Global Minimum Tax Act, Point 56 of Section 3] [1]

The designated local entity acting on behalf of domestic constituent entities must submit the registration if it has been designated to do so. A designated local entity is a member of the multinational enterprise or a large-scale domestic group resident in a given country, which has been designated by the other members of the multinational enterprise or the large-scale domestic group resident in that same country to submit the top-up tax related registration, information and declaration on their behalf. If the designated local entity submits the registration, it shall contain the corporate details for all the domestic constituent entities. In this case it is enough to submit only one single registration for all the group members. [Global Minimum Tax Act, Point 47 of Section 3]

The reporting has to be submitted for each tax year with reference to the previous year's registration submission.

3. How can you submit the registration form?

[1] Exceptions to this rule are set by the Global Minimum Tax Act a-c) of Point 56 of Section 3.

The GLOBE registration form shall **be submitted electronically** to the National Tax and Customs Administration (NTCA).[2]

More information on the electronic submission of forms and the rules of electronic communication can be found on the website of NTCA (*www.nav.gov.hu*) under:

- *„Az elektronikus ügyintézés és kapcsolattartás általános szabályai adóügyekben"* information booklet. [Available only in Hungarian.]

Notifying the right for representation

The notification may also be submitted by the authorized agent of the domestic constituent entity or the designated local entity acting on behalf. In this case the right of representation shall be notified to NTCA in advance. The electronic registration submitted can only be accepted by NTCA if the submitter has previously registered its right of representation.

More information on the **notification of representation is available** on the website of NTCA (*www.nav.gov.hu*) in the following*:*

- *„A NAV előtti képviselet bejelentése"* information booklet. [Available only in Hungarian.]

4. How can you access the registration form?

The GLOBE form can be **accessed electronically** on the website of NTCA.

The registration can be completed through the application (WebNYK) and the relating guideline can be found at *www.nav.gov.hu* → Forms → Online Nyomtatványkitöltő Alkalmazás (ONYA) path after entering „ONYA".

5. What is the deadline for registration?

In the case of taxpayers operating by the calendar year, the deadline for registration is December the 31st of 2024 for the calendar year of 2024. In the case of taxpayers operating under a different financial year from the calendar year, the deadline for registration is **the last day of the 12th months following the start of the tax year**

From calendar year 2025. onwards the deadline for the registration is the last day of the second month following the last day of the tax year affected by the top-up tax liability.

[2] Point d) of Section 36 (3) of Act CLI of 2017 on Tax Administration and the Regulation of Tax Administration (hereafter Tax Administration Act). Point 24 of Section 8, point a) of Section 19 (1) of Act CIII of 2023 on the Digital State and Certain Rules for the Provision of Digital Services. Point 6 of Section 7 (1) of Act CXXX of 2016 on the Code of Civil Procedure.

6. How can you correct the registration form submitted?

The taxpayer can initiate the correction of the registration form already submitted, if later noticed, that any detail on **the report already accepted and processed by NTCA is erroneous, or information is missing, therefore incomplete**. The taxpayer has the right to rectify the report within the statute of limitations i.e. within five years following year of the deadline for registration.

In case the taxpayer rectifies the form, **letter „H"** in the field **„Type of Registration"** on the registration form shall be selected.

It is required to indicate whether the registering entity is acting as a designated local entity or as an independent constituent entity. The chosen status determines whether the later obligation to file a return and pay tax advance or tax will be borne only by the registering entity or by the entire domestic group. If a previous registration was submitted by the designated local entity on behalf of all the domestic constituent entities, but the latter prefer to act independently in the future, all affected constituent entities must submit a new registration form individually.

7. What are the legal consequences of non-compliance with registration?

If the taxpayer fulfills his reporting obligation incorrectly, with incomplete data content, late, or fails to do so, the NTCA may use the sanction specified in the law.

Accordingly, the National Tax and Customs Administration may impose a default penalty of HUF 5 million in the event of failure to comply or late compliance with the notification obligation under the Global Minimum Tax Act, taking into account that in case of non-compliance for tax years starting before December the 31st of 2026 penalty cannot be imposed, if the group member proceeded with due care and diligence [Point a) of Section 227/B and Section 274/R of Act CL of 2017 on the Rules of Taxation].].

8. Further information, assistance

If you have any further questions related to the registration please do not hesitate to contact us on any of our availabilities below.

Via Internet:

At the homepage of NTCA: www.nav.gov.hu

In e-mail:

Under this e-mail address: E-mail küldése - Nemzeti Adó- és Vámhivatal (gov.hu)

By telephone: at NTCA Information line

- from within Hungary 1819,
- from abroad +36 (1) 461-1819.

The NAV Information line is available from Monday to Thursday from 8:30 to 16 hours.
The National Tax and Customs Administration provides individual assistance and information as well as general information as defined in the Government's decree within the framework of an integrated telephone customer information and administration system.
The Head of the National Tax and Customs Administration may decide to provide additional individual assistance and information in addition to those specified in the Government decree.
The taxpayer or its representative must hold a customer ID number or a digital citizenship ID as per the "Dáp" Act (Digital Citizenship Act) in order to use the individual assistance and information service.

In person:

Across Hungary at the NAV Customer services. Customer Service-search at:
Ügyfélszolgálatok - Nemzeti Adó- és Vámhivatal (gov.hu)

9. What legislation needs to be taken into account?

- Act LXXXIV of 2023 on Top-Up Taxes Ensuring a Global Minimum Level of Taxation and on the Amendment of Certain Related Tax Laws (Global Minimum Tax Act)
- Act CLI of 2017 on Tax Administration and the Regulation of Tax Administration (Tax Administration Act)
- Act CL of 2017 on the Rules of Taxation (Taxation Act)
- Act CIII of 2023 on the Digital State and Certain Rules for the Provision of Digital Services (Digital Citizenship Act)
- Government Decree 465/2017 (28 December) on the Detailed Rules of the Tax Administration Procedure (Government Decree)
- Government Decree 451/2016 (19 December) on the Detailed Rules of Trust Services and Electronic Transactions

II. Detailed information

GLOBEA main data sheet

"Identification data" menu

In the "Identification data" menu, please indicate the name and tax number of the domestic group member with the obligation to report or of the designated local entity acting on behalf of all domestic group members. Please also indicate the name and telephone number of the reporting administrator. If a designated local entity acts on behalf of all domestic group members, then the registration shall include the data of all domestic group members.

It is required to submit the registration form on an annual basis, within 12 months starting from the beginning of the tax year affected by the top-up tax liability.

Notifications for the tax years following the first registration related to the top-up taxes ensuring a global minimum level of taxation must include the barcode of the notification submitted immediately before the actual one by the taxpayer or its predecessor. In case your company details have not changed, no further content needs to be filled, the information submitted in the prior year does not need to be repeated. In this case please check the declaration box for unchanged data.

In case the taxpayer needs to submit a correction of an erroneous registration form submitted previously, in the „Type of Registration" field the letter „H" has to be entered.

In the „Registration Period" field please indicate the calendar year for which the report is submitted.

"Declarations" menu

If there is a change in the designated local entity, a new GLOBE registration form has to be submitted, where please check the box for "Change in the designated local entity" and provide all the required corporate details once again.

If, in a tax year following the tax year beginning in 2024, the group of companies/group member included in the notification is no longer subject to the Minimum Tax Act, the field "Out of scope of Global Minimum Tax Law" must be ticked. If at a later stage the group member included in the notification is not subject to the global minimum tax in Hungary, this field should be checked, which will make it clear that the group member is not subject to the additional tax liability.

"Additional declarations" menu

It is required to indicate whether the registering entity is acting as a designated local entity or as an independent constituent entity. The chosen status determines whether the later obligation to file a return and pay tax advance or tax will be borne only by the registering entity or by the entire domestic group. If a previous registration was submitted by the designated local entity on behalf of all the domestic constituent entities, but the latter prefer to act independently in the future, all affected constituent entities must submit a new registration form individually.

Please indicate the type of due top-up tax for the reporting group members. If the reporting entity is a domestic group member then it is required to indicate the type if top-up tax for itself.

If the reporting entity is a designated local entity then this information needs to be disclosed for all the domestic group members represented by the reporting entity.

If the group member who is required to report fills out the reporting form only for itself, it must declare the number of constituent entities, joint ventures and joint venture groups of the corporate group affected by the minimum tax liability in the designated field. Enter the number of all domestic constituent entities as specified under the top-up tax liability including the reporting entity itself.

In the field for „Status for GLOBE purposes," the reporting entity must declare whether it is an Ultimate Parent Entity, a Constituent Entity, Joint Venture or Joint Venture Group. If you select Ultimate Parent Entity, the "Corporate details of the Ultimate Parent Entity" field group further down will not have to be populated.

Please specify the name, country code and tax ID of the Constituent Entity submitting the GIR – Global Information Return (DAC9). These data fields are mandatory.

In the report/notification, the domestic group member – or the designated local entity acting on behalf of all domestic group members – presents the basic corporate details of the MNE (Multinational Enterprise) or large-scale domestic group.

The Ultimate Parent Entity[3] of the MNE has to be disclosed on the GLOBEA main data sheet in the "Ultimate Parent Entity" field group, and each and every Constituent Entity[4] belonging to the MNE has to be indicated on the GLOBEM sub-data sheet "Constituent Entities field group" by filling out the specific parameters.

Each Constituent Entity shall be listed on a separate data sheet.

Reporting on the GLOBEA data sheet for the ultimate parent entity by entering the following parameters in the "Corporate details of the Ultimate Parent Entity" field group

Full name of the Ultimate Parent Entity

The legally registered full name of the Ultimate Parent Entity. If the full name is too long, enter the short name.

Tax residency country code as per the Global Minimum Tax Act (Section 4)

Please indicate here the **tax residency country code** of the Ultimate Parent Entity. The tax residency of the Ultimate Parent Entity has to be determined as per Section 4 of the Global Minimum Tax Law.

Tax ID and Community Tax ID of the Ultimate Parent Entity

Please indicate here the **Tax ID** of the Ultimate Parent Entity; in case of foreign legal entities if no Tax ID is available, equivalent corporate registration number is accepted. The **Community Tax ID** is only relevant for the Ultimate Parent Entities within the European Union if they have such a number.

Types of top-up tax

[3] Global Minimum Tax Law 3.§ 95.
[4] Global Minimum Tax Law 3. § 20.

Please indicate what type of domestic top-up tax arises for the Ultimate Parent Entity:

- qualified domestic top-up tax
- qualified IIR tax
- qualified UTPR tax starting 2025
- none of the above.

In case of the Ultimate Parent Entity it is possible to check more than one option at the same time for example the "qualified domestic top-up tax" and the "qualified IIR tax", or check the "none of the above" option in case you do not have sufficient information on the type of top-up tax for your Ultimate Parent Entity.

Declarations

Under declarations, there are two optional fields to indicate whether the Ultimate Parent Entity will submit GIR (data supply), or whether it will file top-up tax return in the given tax year.

It is possible to declare more than one Ultimate Parent Entities in case the registering Constituent Entity is member of a Joint Venture or Joint Venture Group.

GLOBEM sub-data sheet

In the "Tax payer data" field the Tax ID of the tax payer needs to be displayed the same as on the main data sheet

In the "Corporate details of the Constituent Entities" fields enter the following data for each constituent entity

Full name of the Constituent Entity

The legally registered full name of the domestic constituent entity. If the full name is too long, enter the short name.

Tax ID and Community Tax ID of the Constituent Entity

Please indicate here the **Tax ID** of the Constituent Entity. Enter the **Community Tax ID** only if it is available.

Types of top-up tax

Please indicate what type of domestic top-up tax arises for the Constituent Entity:

- qualified domestic top-up tax
- qualified IIR tax
- qualified UTPR tax starting 2025
- none of the above.

It is possible to check more than one option at the same time. If safe harbor applies to the Constituent Entity and you wish to disclose it, please check the type of top-up tax and the "none of the above" options together.

Declarations

Under declarations, there are two optional fields to indicate whether the Constituent Entity will submit GIR (data supply), or whether it will file top-up tax return in the given tax year.

National Tax and Customs Administration