Meijburg & Co
Tax & Legal

2025 Wrapped for Transfer Pricing Professionals

December 2025

This article summarizes key transfer pricing themes from 2025:

- Navigating shifting transfer pricing tax policies
- Coping with increased regulatory complexity
- Public country-by-country (CbC) reporting
- Technology and AI
- Looking ahead to 2026

2025 has been a transformative year in transfer pricing, with key developments across regions. The importance of public country-by-country reporting, the OECD guidance on remote working guidance from and the case law around the world show the ever-changing transfer pricing landscape. Brazil's new regulations and the new guidance in several Middle East countries are also good examples.

Tariffs and trade policies are added to the mix, necessitating proactive planning. Heightened scrutiny of restructurings and financial transactions demands attention from companies. Technological advancements, especially in AI, are revolutionizing tax functions, encouraging the adoption of automated solutions for improved compliance and decision-making.

As 2026 approaches, companies should reassess their transfer pricing strategies, leverage technology, and stay informed on global regulatory changes to navigate the future.

Navigating shifting transfer pricing policies

Transfer pricing policies are undergoing significant changes across multiple jurisdictions. Recent developments include new rules in Brazil, expanded guidance in the Middle East and increased transfer pricing disputes across the world.

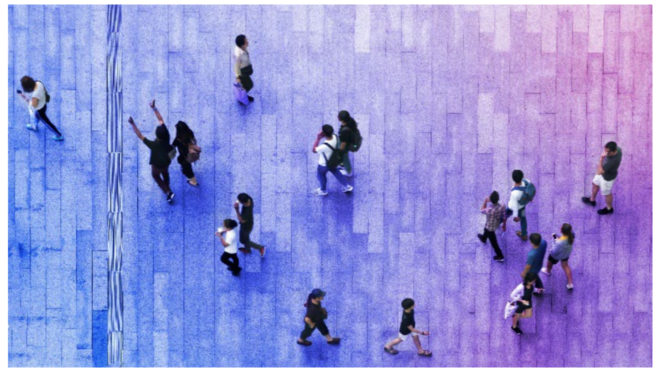
Requirements for public country-by-country reporting and the application of DEMPE (Development, Enhancement, Maintenance, Protection and Exploitation) functions are becoming more widespread. Companies are trying to manage changes related to tariffs, trade policies, transfer pricing disputes and volatile interest rates.

This section provides a wrap of articles, webcasts and podcasts from our team of recent regulatory updates and practical considerations for compliance and risk management.

Coping with increased regulatory complexity

The EU Public Country-by-Country Reporting (PCbCR) rules introduce new transparency obligations for multinational groups with total consolidated revenues exceeding €750 million. Non-EU headquartered groups with qualifying EU operations must publish a PCbCR report disclosing tax and financial data for each EU Member State and certain non-EU jurisdictions. The first filing deadline for non-EU groups with presence in Spain is 30 June 2026 (in case of a financial year end in December), reporting on financial year 2025. However, Romania and Croatia have implemented earlier deadlines, potentially requiring publication before the end of 2025. Non-compliance may result in reputational and financial risks. We recommend assessing your group's structure and presence in these jurisdictions to determine your specific obligations and begin preparing for timely compliance. Please contact us for tailored support and further guidance. For EU headquartered groups, the pCbCR report is to be filed in the jurisdiction of the UPE.

- Public CbyC implementation tracker
- Australia: Consultation on draft guideline on review of cross-border software arrangements
- Brazil's Pillar Two rules require companies to be proactive
- German case law regarding transfers of functions
- "Materiality" limits on deductions for services in Mexico
- How can companies plan to enhance transfer pricing in the current tax environment?



The impact of tariffs and trade policies

- New US country-specific tariffs and the EU's response
- Year-end tariff refunds: How transfer pricing adjustments may trigger significant tariff refunds
- How intellectual property payments impact US tariffs on goods
- How do tariffs and transfer pricing interact
- The power of proactive tariff planning - Introducing the KPMG Tariff Modeler

Increasing focus on tax controversy and audit activity

- The MAP team Annual Report 2024 published
- Understanding the Dutch MAP Decree and its Application in Transfer Pricing Disputes
- Your tax controversy strategy can save a lot of interest!
- CJEU: fees based on transfer pricing policy subject to VAT
- Data centres in the focus of tax audits

Increasing scrutiny of restructurings, valuations and financial transactions

- What You Should Know About the Discount Rate in A Transfer Pricing Valuation
- Transfer Pricing vs. Financial Reporting Valuations
- Common transfer pricing challenges in cash pooling
- Seeking certainty in an uncertain era for financial transactions

Technology and AI

Transfer pricing policies are undergoing significant Advancements in technology, particularly AI, are reshaping tax functions and transfer pricing processes. Tax authorities are increasing data requirements, prompting organizations to adopt automated solutions and enhance operational transfer pricing through enterprise resource planning (ERP) transformations and AI-driven analytics. The integration of technology enhances data management, accuracy in compliance and informed decision-making.

Technology is also transforming business models. Across all industries, companies are building AI capabilities that promise to change how they generate value, with consequent transfer pricing implications. Transfer pricing teams should clarify who owns these new assets, who bears the associated costs, and who should be allocated the income if they perform. Companies at the start of their AI journey have an opportunity to influence policy over which legal entities incur research and development (R&D) costs and, to some extent, where the individuals controlling those decisions sit.

- The transformative potential of Gen AI in transfer pricing and valuation
- Tax issues raised by development of valuable digital IP and data assets

Looking ahead to 2026

There is much to be excited about in the world of transfer pricing moving into 2026. Changes present opportunities for transfer pricing teams as well as across multinational organizations. Here are key points to keep in mind as the journey unfolds:

Review your transfer pricing strategy: Your transfer pricing strategy should evolve, and transfer pricing policies should adapt to today's ever-changing business environment. Be a partner to your business teams. Stay connected so that as changes emerge, the transfer pricing function is a strategic partner — enhancing value and adopting timely transfer pricing policies accordingly.

Embrace data and technology: Invest in cloud-based technology solutions that facilitate data collection, analysis and reporting. These include AI, machine learning and automation to streamline tax compliance processes, enable scenario modeling, planning and forecasting, and improved data accuracy. Be part of your organization's tax technology strategy and incorporate transfer pricing requirements into a future state roadmap for tax and wider corporate strategy.

Stay informed and adapt: Continuously monitor global and regional developments in transfer pricing regulations, particularly in high-risk or material transactions, to enable compliance and mitigate risks. Use KPMG resources to help keep you ahead of the curve.

Changing Transfer Pricing Compliance Requirements

Transfer pricing documentation requirements continued to evolve this year with many countries amending their documentation requirements to request more detailed information than previously. It is important to assess the impact on compliance for 2026 and future years. Stay up to date with these changes by checking into our Global Transfer Pricing Review .

Conclusion

There is a lot to consider in terms of international tax and transfer pricing as 2025 comes to a close and 2026 begins. Please reach out to your contacts with Meijburg & Co to consider the possible impact for your business and how to address this.

Contact Transfer Pricing team
www.Meijburg.com

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