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## IASB<sup>®</sup> meeting

Date	<b>May 2026</b>
Project	<b>Provisions—Targeted Improvements</b>
Topic	<b>Application requirements for levies</b>
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB). This paper does not represent the views of the IASB or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS<sup>®</sup> Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB<sup>®</sup> *Update*.

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## Session overview

1. The International Accounting Standards Board (IASB) published Exposure Draft [\*Provisions—Targeted Improvements\*](#) (Exposure Draft) in November 2024, with a comment deadline of 12 March 2025. The Exposure Draft proposes amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.
2. In response to feedback on the Exposure Draft, the IASB is considering adding application requirements for levies to IAS 37. At its meeting in February 2026, the IASB made tentative decisions on a model for possible application requirements.
3. This model would apply general requirements proposed in the Exposure Draft and comprise:
  - (a) *a principle*—the economic benefit or action that meets the past-event condition for recognising a levy is the economic benefit or activity the government is seeking to levy; and
  - (b) *a constraining presumption*—the economic benefit or activity the government is seeking to levy will be one of those required by the levy legislation<sup>1</sup> for the levy to be payable.

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<sup>1</sup> In this paper, the term 'levy legislation' refers to the legislation or other legal mechanism a government uses to impose a levy on entities.

4. The purpose of this meeting is to make further tentative decisions necessary to complete the model.
5. This paper asks the IASB to decide on details of the application requirements:
  - (a) whether the constraining presumption should be rebuttable or non-rebuttable, and
  - (b) how the resulting requirements should be expressed.
6. If the IASB makes the tentative decisions required to complete the model at this meeting, it will be asked at a future meeting to decide the project direction, including whether to undertake further work before making a final decision on the possible application requirements.

## Staff recommendations

7. The staff recommend:
  - (a) making the constraining presumption non-rebuttable; and
  - (b) expressing the resulting application requirements as:
    - (i) *a general requirement*—the past-event condition is met when an entity has obtained the economic benefit or conducted the activity required by levy legislation for a levy to be payable (the relevant economic benefit or activity); and
    - (ii) *a supporting principle*—if more than one economic benefit or activity is required for a levy to be payable, the relevant economic benefit or activity is the one that best reflects the economic benefit or activity the government is seeking to levy.

## Contents of this paper

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9. The questions for the IASB follow paragraphs 45 and 51.

## Background information

### *Existing IFRS Accounting requirements for levies*

10. The criteria in IAS 37 for recognising a provision require an entity to have a present obligation as a result of a past event (the present obligation criterion).
11. IFRIC 21 *Levies* specifies that the event that meets the present obligation criterion for recognising a levy is ‘the activity that triggers the payment of the levy, as identified by the legislation’. Accordingly, if two or more separate activities are required by the legislation for a levy to be payable, an entity recognises a liability for the levy only when it has conducted the last of these activities.
12. IFRIC 21 has been criticised for leading to outcomes that fail to reflect the economics of some levies—for example, if:
  - (a) the government is seeking to levy one economic benefit or activity (for example, revenue generated in a year): but,
  - (b) an entity’s liability to pay the levy is triggered only when the entity meets a later scope or administrative condition (for example, exceeding a revenue threshold or operating in a market on the first day of the following year).

An entity cannot recognise a liability for the levy until it has met that later condition.

### *Changes proposed in the Exposure Draft*

13. The [Exposure Draft](#) proposes to update the wording of the present obligation criterion in IAS 37 and to identify and explain three separate conditions within that criterion:
  - (a) an ‘obligation’ condition—the entity has an obligation;
  - (b) a ‘transfer’ condition—the nature of the entity’s obligation is to transfer an economic resource; and

- (c) a ‘past-event’ condition—the entity’s obligation is a present obligation that exists as a result of a past event.

14. Paragraphs 14M–14R of the Exposure Draft explain the proposed past-event condition. Notably:

- (a) paragraph 14N states that the past-event condition is met when an entity:
  - (i) ‘has obtained specific economic benefits or taken a specific action, as described in paragraphs 14B and 14D’; and
  - (ii) as a consequence, will or may have to transfer an economic resource it would not otherwise have had to transfer.
- (b) the cross-references to paragraphs 14B and 14D clarify that the economic benefits or action referred to are those required by the legislation (or other mechanism) for a charge to become payable. Paragraphs 14B–14D of the Exposure Draft state that:

**14B** The first condition for meeting the present obligation recognition criterion is that the entity has an obligation. An entity has an obligation if:

- (a) a mechanism is in place that imposes a responsibility on the entity *if it obtains specific economic benefits or takes a specific action*;
- (b) the entity owes that responsibility to another party; and
- (c) the entity has no practical ability to avoid discharging the responsibility *if it obtains the specific economic benefits or takes the specific action*. [Emphasis added]

**14C** The mechanism imposing a responsibility could be:

- (a) legal—a contract (through its explicit or implicit terms), legislation or other operation of law; or

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- (b) constructive—the entity’s established pattern of past practice, its published policies or a sufficiently specific current statement.
- 14D The economic benefits the entity obtains could be, for example, cash, goods or services. The action the entity takes could be, for example, operating in a specific market, causing environmental damage or other harm to another party, owning specific assets on a specific date, or constructing an asset that will need to be decommissioned at the end of its useful life.
- (c) paragraph 14Q states that if the requirement to transfer an economic resource is a consequence of taking two or more separate actions, the past-event condition is met when the entity has taken any of the actions and has no practical ability to avoid the remaining actions.
15. The proposed past-event condition would change the timing of recognition of some levies. If a requirement to pay a levy is a consequence of conducting two or more separate activities, the past-event condition could be met when the entity has conducted *any* of the activities, not only when it has conducted *all* of them.
16. Because the requirements of IFRIC 21 are inconsistent with the proposed past-event condition, the Exposure Draft includes a proposal to withdraw IFRIC 21.

### ***Concerns expressed by respondents to the Exposure Draft***

17. Many respondents—from all stakeholder groups and regions—expressed outright or broad agreement with the proposed amendments relating to past-event condition and with the withdrawal of IFRIC 21.
18. Of those who gave reasons for their agreement, some said the outcomes—earlier and more progressive recognition of some levies and climate-related obligations—would provide users of financial statements with a more faithful representation of, and relevant information about, such obligations (especially in interim financial

statements). The examples respondents cited included digital services taxes and energy windfall levies—revenue-based levies that are charged only on entities whose revenue exceeds a specified threshold and/or only on entities operating in a market on a date at or after the end of the period of charge.

19. However, some respondents expressed concerns about the implications of the past-event condition for some levies. Their concerns focused on four European levies with a common feature:
  - (a) the levy is payable by entities that conduct a specific activity in a given (usually 12-month) period (the levy year); but
  - (b) the amount each entity pays is calculated by reference to a measure of the entity's activity, assets or liabilities at a date before the levy year.
20. The respondents expressed concern that:
  - (a) it is unclear whether activities occurring before the levy year are actions that meet the past-event condition ( 'relevant actions'), so the proposed requirements could be complex to apply and lead to long debates; and
  - (b) if activities occurring before the levy year are relevant actions, entities would recognise provisions for some levies before they conduct the activity the government is seeking to levy. Recognising a provision at the time of this earlier activity would misrepresent the economics of the levy.
21. These concerns led the respondents to suggest:
  - (a) developing (simple) application requirements or guidance for levies; or
  - (b) excluding levies from the scope of IAS 37 and either:
    - (i) leaving IFRIC 21 in place; or
    - (ii) developing a separate IFRS Accounting Standard for levies (and other non-reciprocal transactions).

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***The IASB's response—a model for possible application requirements***

*Tentative decision*

22. At its meeting in February 2026, the IASB tentatively decided to add to IAS 37 application requirements for levies that would:
- (a) apply the general past-event condition proposed in paragraph 14N of the Exposure Draft (see paragraphs 14(a)–14(b)).
  - (b) specify a principle for applying that general past-event condition to levies:

**Principle**

For a levy, the economic benefit or action that meets the past-event condition is the economic benefit or activity the government is seeking to levy.

- (c) support that principle with a constraining presumption:

**Constraining presumption**

The economic benefit or activity the government is seeking to levy will be one of those required by the levy legislation for the levy to be payable.

23. The staff paper for the meeting, February 2026 IASB meeting [Agenda paper 22A Levies—Application requirements](#), explained the rationale for these application requirements.

*How a preparer would apply the principle and constraining presumption*

24. To apply the principle and constraining presumption, a preparer of a levy-payer's financial statements would:
- (a) start by assessing the terms of the levy legislation to identify the economic benefits or activities required by the legislation for the levy to be payable.
  - (b) consider whether more than one economic benefit or activity is required:
    - (i) if *only one* economic benefit or activity is required, the past-event condition would be met when the entity obtains that economic benefit or conducts that activity.
    - (ii) if *more than one* economic benefit or activity is required, the preparer would judge which of these identified economic benefits or activities is the one the government is seeking to levy. The past-event condition would be met when the entity obtains that economic benefit or conducts that activity.

*How the requirements would differ from those in IFRIC 21 and those proposed in the Exposure Draft*

25. The description in paragraph 24 helps demonstrate the similarities and differences between the possible application requirements and:
- (a) the current requirements in IFRIC 21; and
  - (b) the requirements proposed in the Exposure Draft.

In each case, the same type of economic benefit or activity meets the past event condition. The outcomes may differ only if more than one economic benefit or activity is required for a levy to be payable:

	<b>IFRIC 21 requirements</b>	<b><u>Exposure Draft</u> proposals</b>	<b>Possible new application requirements</b>
<b>Action that meets past-event condition</b>	Activity that triggers payment of the levy, as identified by the legislation. <sup>2</sup>	Economic benefit or activity required by levy legislation for a levy to be payable.  (As explained in paragraph 14(b).)	Economic benefit or activity required by levy legislation for a levy to be payable.
<b>Which economic benefit or activity if more than one?</b>	<b>The last one</b> to occur (see paragraph 11).	<b>The first one</b> to occur, if the entity has no practical ability to avoid the others.  (See paragraph 14(c)).	<b>The one the government is seeking to levy</b>  (See paragraph 24(b)(ii)).

*Whether the presumption should be rebuttable in some circumstances*

26. At its meeting in February 2026, the IASB also discussed whether the constraining presumption should be rebuttable in some circumstances. Rebuttability would allow an entity to conclude that the economic benefit or activity the government is seeking to levy differs from any of those required for the levy to be payable. An entity that rebutted the presumption would be able to recognise a provision when it conducts the activity the government is seeking to levy instead of when it conducts the activity required for the levy to be payable.

<sup>2</sup> IFRIC 21 refers only to activities, not to economic benefits. However, the receipt of an economic benefit would qualify as an activity.

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27. The staff paper for that discussion, February 2026 IASB meeting [Agenda Paper 22B Levies—Rebuttable or non-rebuttable presumption](#), explained reasons for considering making the presumption rebuttable:
- (a) in some (possibly quite rare) cases, the terms of the levy legislation do not exactly reflect the activity the government is seeking to levy. Such cases can arise if the activity the government is seeking to levy is difficult to measure directly and the government can achieve its policy objectives more simply, or collect the levy more quickly, by levying a proxy economic benefit or activity. We are aware of a handful of current examples—all European bank levies.
  - (b) in such cases, an entity would be able to recognise the effects of the levy in accordance with the general principle (when it conducts the activity the government is seeking to levy) only by rebutting the constraining presumption.
28. The staff paper also described possible conditions for rebuttal—conditions that could be specified to ensure that the rebuttal is restricted to circumstances in which there is reasonable and supportable evidence that the activity the government is seeking to levy differs from any of those required for the levy to be payable. The staff paper described two possible conditions:
- (a) *Condition 1*—evidence within the legislation of the activity the government is seeking to levy. This condition could be specified tightly (requiring the legislation to *state* the activity the government is seeking to levy) or more loosely (requiring the legislation to *either state or indicate through its terms* the activity the government is seeking to levy) ; and/or
  - (b) *Condition 2*—evidence demonstrating the government has been able to levy a proxy economic benefit or activity without significantly changing either the scope of the levy (the entities required to pay it); or the relative amounts of levy payable by each entity.

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29. Finally, the staff paper:
- (a) discussed whether rebuttal should be permitted or required (where the conditions for rebuttal are met). Permitting rebuttal would impose less cost on preparers of financial statements but could create a risk of diversity in practice, impairing comparability.
  - (b) considered the relative merits of a rebuttable and non-rebuttable presumption—as discussed in more detail in paragraphs 42–43 below.
30. The IASB was not asked to make any decisions on whether the presumption should be rebuttable, but IASB members were invited to comment on the matters covered in the staff paper.
- (a) most IASB members expressed a tentative preference for, or willingness to accept, a *non-rebuttable* presumption. They referred to:
    - (i) its simplicity and lower application costs;
    - (ii) the lower risk of diversity in practice and of unintended consequences; and
    - (iii) evidence that the benefits of a rebuttable presumption could be marginal (as explained further in paragraph 43(d) below).
  - (b) some IASB members expressed a tentative preference for, or a willingness to accept, a rebuttable presumption, on the basis that an ability to rebut the presumption would be necessary to faithfully reflect the economics of some levies. Most of these IASB members favoured permitting (not requiring) entities to rebut the presumption (where the conditions for rebuttal are met) to minimise application costs.
  - (c) an IASB member expressed a desire for more information on how many entities could benefit from a rebuttable presumption.

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***Feedback on the model from the ASAF***

31. In March 2026, we asked members of the ASAF for feedback on the possible application requirements the IASB had discussed in February 2026. We asked ASAF members for their views on:
- (a) whether the constraining presumption should be rebuttable; and
  - (b) if the presumption were rebuttable:
    - (i) what the conditions for rebuttal should be, and
    - (ii) whether rebuttal should be permitted or required.
32. We also asked ASAF members for details of any levies they knew of in their country or region that might meet the conditions for rebuttal described in paragraph 28.
33. The views ASAF members expressed are reported in the March 2026 ASAF Meeting Summary. Paragraphs 34–40 below summarise the views that have a bearing on whether the presumption should be rebuttable.

***Views on rebuttability***

34. The AcSB<sup>3</sup>, ANC<sup>4</sup> and FASB<sup>5</sup> representatives said they, or most of their stakeholders, would prefer the presumption to be non-rebuttable:
- (a) the AcSB and FASB representatives expressed concern that the suggested principle would be insufficient on its own—it would be open to interpretation and could lead diversity in practice. They also questioned whether the benefits of replacing IFRIC 21 would exceed the costs, saying that the outcomes for many levies would be unchanged. They concluded that a non-rebuttable presumption would promote consistency and minimise costs.

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<sup>3</sup> Canadian Accounting Standards Board

<sup>4</sup> Autorité des Normes Comptables, France

<sup>5</sup> Financial Accounting Standards Board, US

- (b) the ANC representative said ANC stakeholders want requirements that are as simple as possible. The proposed principle has been well-received among ANC stakeholders because it is simple and would resolve problems that would have arisen for French business property taxes under the Exposure Draft proposals.
35. In contrast, the AASB/XRB<sup>6</sup>, AOSSG<sup>7</sup>, ARD<sup>8</sup>, PAFA<sup>9</sup>, and SOCPA<sup>10</sup>, representatives expressed a preference for the presumption to be rebuttable. They noted that levies vary widely and said rebuttability would provide the flexibility needed to allow entities to faithfully represent a levy (follow a principle-based approach) in all cases.

*Concerns about complexity and unintended consequences*

36. The ASBJ<sup>11</sup>, ASCG<sup>12</sup>, EFRAG<sup>13</sup>, OIC<sup>14</sup> and UKEB<sup>15</sup> representatives did not comment specifically on whether the constraining presumption should be rebuttable. Instead, they expressed more general concerns that:
- (a) the requirements still seemed too complex:
- (i) they would add another layer to the multiple-layer requirements proposed in the Exposure Draft.
- (ii) the principle would be hard to apply because the activity the government is seeking to levy is not always clear, can be affected by supplementary codes and regulations, and can evolve over time. The subjectivity of the assessments could lead to long and costly

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<sup>6</sup> Australian Accounting Standards Board and External Reporting Board, New Zealand

<sup>7</sup> Asian-Oceanian Standard-Setters Group

<sup>8</sup> Accounting Regulatory Department, Ministry of Finance, China

<sup>9</sup> Pan African Federation of Accountants

<sup>10</sup> Saudi Organization for Chartered and Professional Accountants

<sup>11</sup> Accounting Standards Board of Japan

<sup>12</sup> Accounting Standards Committee of Germany

<sup>13</sup> European Financial Reporting Advisory Group

<sup>14</sup> Organismo Italiano di Contabilità, Italy

<sup>15</sup> UK Endorsement Board

discussions between preparers, auditors and regulators and to diversity in practice, impairing comparability.

- (b) the full consequences of the requirements for both current and future levies are unclear. IFRIC 21, although not perfect, is at least clear.
37. However, responding to concerns expressed about possible additional costs and complexity:
- (a) the AOSSG representative noted that challenges arise in applying IAS 37 at present and said the proposals represent a reasonable step forward—it is unrealistic to expect new requirements to address all levies and eliminate all diversity.
  - (b) the SOCPA representative said that, although the outcomes might not change for many levies, the requirements would provide a better basis on which to recognise over time some levies that are currently recognised at a point in time and would not necessarily require a lot of additional work.

#### *The form of the rebuttable presumption*

38. The ARD and SOCPA representatives said that, if the presumption is rebuttable, rebuttal should be permitted without being required.
39. Only the AASB/XRB, AOSSG, ARD and SOCPA representatives commented on possible conditions for rebutting the presumption, expressing mixed views on whether Condition 1 described in paragraph 28 should be expressed tightly or more loosely and on whether Condition 2 should be specified in addition to Condition 1.

#### *Examples of levies that might meet the conditions for rebuttal*

40. ASAF members provided no further examples of levies in their country or region that might meet the conditions for rebuttal described in paragraph 28—beyond those we are already aware of.

## Whether the presumption should be rebuttable

### *Introduction*

41. To complete the model for the possible application requirements, the IASB will need to decide whether the constraining presumption should be rebuttable in some circumstances.

### *Staff analysis*

#### *Arguments supporting a rebuttable presumption*

42. In support of a *rebuttable* presumption, it could be argued that:
- (a) an ability to rebut the presumption for some levies would ensure that in all cases:
    - (i) an expense and provision are recognised in accordance with the principle underlying the model; and hence
    - (ii) the expense or provision recognised provides a faithful representation of the economics of the levy (the activity the government is seeking to levy) rather the mechanics of its administration and collection.
  - (b) although a rebuttable presumption would add more complexity to IAS 37 than a non-rebuttable presumption, the additional complexity could be minimised by permitting *without requiring* rebuttal of the presumption (where the conditions for rebuttal are met). Entities could ignore all the requirements around rebuttal except in the (possibly rare) cases where the ability to rebut the presumption is important (where applying the presumption would clearly misrepresent the economics of a levy).

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- (c) although an ability to rebut the presumption would create a theoretical risk of diversity in application (especially if rebuttal is permitted without being required), the risk might be low in practice:
- (i) conditions for rebuttal (such as those described in paragraph 28) could narrowly limit the range of levies for which the presumption could be rebutted.
  - (ii) our experience is that entities operating in a sector subject to a specific levy (especially a levy with the complex terms that might meet the conditions for rebuttal) seek a sector-wide consensus on an appropriate accounting policy for the levy and then all apply that policy. Levies can vary widely in their terms and preparers of financial statements have said they can communicate the effects of a specific levy to investors most easily if they adopt the same accounting policy for that levy as other entities in their sector.

*Arguments supporting a non-rebuttable presumption*

43. In support of a *non-rebuttable* presumption, it could be argued that:
- (a) if the presumption is non-rebuttable, the application requirements for levies would be entirely consistent with the general past-event condition proposed in paragraph 14N of the Exposure Draft (and as further explained in paragraph 14(b) of this paper), reducing any pressure on the definition of a levy and any risk of unintended consequences:
    - (i) the activity that meets the past-event condition would always be one of those required for the levy to be payable: and
    - (ii) as demonstrated in the table below paragraph 25, the application requirements for levies would do no more than clarify how to apply the general past-event condition if more than one economic benefit or activity is required.

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- (b) even if simplified as much as possible, requirements and conditions relating to rebutting the presumption would add significant complexity to the requirements in IAS 37. They would impose costs on all entities, requiring all preparers of financial statements to acquire an understanding of the rebuttal conditions, even though many preparers might never encounter a levy of a type that meets the conditions.
- (c) comments expressed by ASAF members (as summarised in paragraphs 34–37) indicate that their greatest concern about the requirements stems from the need to assess the activity a government is seeking to levy. Some ASAF members think the subjectivity of the assessments could lead to long and costly discussions between preparers, auditors and regulators and to diversity in practice, impairing comparability. The assessments will be much less subjective if the options available are restricted to the economic benefits or activities required by the levy legislation for the levy to be payable.
- (d) the potential benefits of a rebuttable presumption could be marginal. We are aware of only a handful of current levies where there is a clear disconnect between the economic benefit or activity required by the legislation for the levy to be payable and the economic benefit or activity the government is seeking to levy. For each of these levies, the accounting treatment resulting from applying the presumption might not be perfect, but it would be the same as the current accounting treatment under IFRIC 21.<sup>16</sup> Some entities subject to such levies have said that, although they generally disagree with the outcome of applying IFRIC 21, they have worked out how to apply it and get information to investors.

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<sup>16</sup> For an illustration, see Example 5 *A central bank levy* in the appendix to Agenda Paper 22C *Indicative drafting*.

44. If the presumption is non-rebuttable, the wording of the principle could be modified to accommodate cases in which none of the economic benefits or activities required for the levy to be payable *exactly* matches the one the government is seeking to levy. The principle could refer to the ‘economic benefit or activity that best reflects the economic benefit or activity the government is seeking to levy’.

**Staff recommendation**

45. For the reasons explained in paragraph 43, we recommend that the constraining presumption is non-rebuttable.

**Question for the IASB****Rebuttable or non-rebuttable presumption**

- |   |   |
|---|---|
| 1 | Do you agree with the recommendation in paragraph 45? |
|---|---|

Continues ...

## How to express requirements that include a non-rebuttable presumption

### *Alternative expressions*

46. A non-rebuttable presumption is essentially a requirement. Consequently, If the constraining presumption is non-rebuttable, the application requirements would comprise a principle and a requirement, which could be expressed either:

(a) as expressed to date—as a general principle and constraining requirement:

#### **General principle**

For a levy, the economic benefit or action that meets the past-event condition is the economic benefit or activity [that best reflects the one] the government is seeking to levy.

#### **Constraining requirement**

That economic benefit or activity will be one of those required by the levy legislation for the levy to be payable.

or

(b) as a general requirement with a supporting principle that would apply if more than one economic benefit or activity is required for a levy to be payable:

#### **General requirement**

The past-event condition is met when an entity has obtained the economic benefit or conducted the activity required by levy legislation for a levy to be payable (the relevant economic benefit or activity).

#### **Supporting principle**

If more than one economic benefit or activity is required for a levy to be payable, the relevant economic benefit or activity is [the one that best reflects] the economic benefit or activity the government is seeking to levy.

47. Either of the two expressions of the requirements could include the ‘best reflects’ notion to accommodate cases in which none of the economic benefits or activities required for a levy to be payable exactly matches the one the government is seeking to levy.

### **Staff conclusions**

48. We conclude that the application requirements should be expressed as a general requirement with a supporting principle, as described in paragraph 46(b):
- (a) the general requirement would clearly reflect the general past-event condition set out in paragraph 14N of the Exposure Draft and explained in paragraphs 14(a)–14(b) of this paper.
  - (b) the structure of the requirements would match the order of the steps a preparer would take to apply them (as described in paragraph 24).
  - (c) the structure and wording of the requirements would more clearly convey the limited circumstances in which judgement is required to identify the economic benefit or activity the government is seeking to levy, and the limited degree of judgement required in these circumstances:
    - (i) a preparer would need to identify the activity the government is seeking to levy only in cases where more than one economic benefit or activity is required for a levy to be payable. In other cases (where only one economic benefit or activity is required,) no assessment of the government’s motivations would be required (as illustrated in in Example 1 *A levy on manufacturers of electric and electronic equipment* and Example 4 *A property tax* in Agenda Paper 22C *Indicative drafting*).
    - (ii) in cases where a preparer is required to identify the economic benefit or activity the government is seeking to levy, the preparer would be required only to select one economic benefit or activity from among

those required by the levy legislation for the levy to be payable. The preparer would not consider any alternative motivations a government might have for imposing the levy.

49. We also conclude that the requirements should include the ‘best reflects’ notion to clarify how to apply the requirements if none of the economic benefits or activities required for the levy to be payable exactly matches the one the government is seeking to levy.

**Staff recommendation**

50. For the reasons set out in paragraphs 48–49, we recommend that, if the constraining presumption is non-rebuttable, the resulting application requirements are expressed as:
- (a) *a general requirement*—the past-event condition is met when an entity has obtained the economic benefit or conducted the activity required by levy legislation for a levy to be payable (the relevant economic benefit or activity); and
  - (b) *a supporting principle*—if more than one economic benefit or activity is required for a levy to be payable, the relevant economic benefit or activity is the one that best reflects the economic benefit or activity the government is seeking to levy.
51. Paragraphs 83G–83H of the indicative drafting in Agenda Paper 22C show how this general requirement and supporting principle could be drafted.

**Question for the IASB**

**Presentation of requirements that include a non-rebuttable presumption**

2 Do you agree with the recommendation in paragraph 50?