

Transfer Pricing in a Post-BEPS World

Edited by
Michael Lang
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 Wolters Kluwer



Eucotax Series

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The OECD's Base Erosion and Profit Shifting (BEPS) project promises to make effective inroads into the much criticized corporate tax strategy known as aggressive transfer pricing, whereby the profitability of subsidiaries in different jurisdictions is "managed" via mispricing with the intent of minimizing the corporation's overall tax burden. Although the OECD BEPS project is an ongoing endeavor, its accomplishments to date and developing trends are discernible. This book, including contributions by outstanding and renowned transfer pricing experts both from practice and academia, analyses these trends, and proposes reforms which would ensure that transfer pricing outcomes are better aligned with economic activities and value creation, which achieves a more equitable distribution of profits among different countries.

Each chapter is dedicated to specific sections of the OECD's BEPS Action Plan. Among the topics and issues covered are the following:

- arm's length principle and its ongoing development;
- allocation of risk and recharacterization;
- intangibles (both license model and cost contribution arrangements);
- interest deductions and intra-group financing;
- low value-adding services;
- commissionaire arrangements and low-

risk distributors;

- attribution of profits to permanent establishments;
- documentation requirements (including Country-by-Country Reporting).

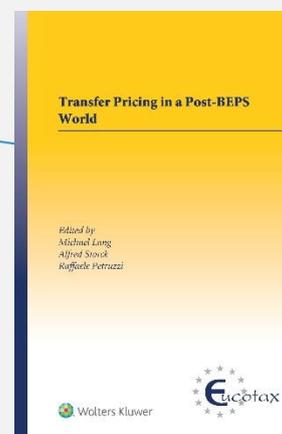
Within these topics, measures to identify the commercial and financial relationships inside multinational enterprises, to accurately delineate actual transactions, as well as guidance on defining risk and its allocation among entities of a multinational enterprise are discussed.

The book is based on papers presented and discussed at the first Global Transfer Pricing Conference hosted in February 2016 by the WU Transfer Pricing Center at the Institute for Austrian and International Tax Law at WU (Vienna University of Economics and Business).

The most up-to-date and thorough consideration of transfer pricing yet published, this book will prove invaluable for all parties currently facing questions related to transfer pricing in a post-BEPS world, especially those in charge of finding an ideal answer to them: academics, practitioners (including in-house and advisory counsel), international organizations, CEOs and CFOs of multinational enterprises, and government officials who are tax and transfer pricing experts.

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