Summary
This intermediate-level course provides participants with an in-depth understanding of the impact of the OECD Action Plan on Base Erosion and Profit Shifting (BEPS) on the current tax environment. It also provides participants with the opportunity to discuss their concerns and potential responses.

Overview and Learning Objectives
The G20 economies, through the work of the OECD and the European Union, have identified base erosion and profit shifting as a serious risk to tax revenues, tax sovereignty and tax fairness internationally. The pressure areas identified include those related to:

- Tax treatment of related-party debt financing, captive insurance and other intra-group financial transactions
- The availability of harmful tax regimes
- International mismatches in entity and instrument characterization; application of treaty concepts to profits derived from the delivery of digital goods and services
- Transactions involving intangibles
- The effectiveness of anti-avoidance measures such as GAARs, CFC regimes, thin capitalization rules and treaty anti-abuse rules

These so-called pressure areas that are the focus of BEPS constitute the bulk of the work of international tax departments of multinationals, tax advisers and government officials worldwide. With the completion of the BEPS Action plan, many tax professionals are asking themselves and their colleagues what it means for them. This course is designed to facilitate such a discussion in a neutral and independent environment.

This is an interactive course with a limited number of participants. Prior to the course, participants will be given access to an online platform which provides them with additional pre-course reading material and supplementary material (e.g. legal documentation, case law and related articles/literature). During the course, participants will be provided with a course binder containing documents relevant to the course.

Field of Study
Taxes

Who Should Attend?
The course is suitable for practitioners in tax advisory firms, tax specialists in commerce and industry, and government officials.

Course Level and Prerequisites
This is an intermediate-level course. Participants will be expected to have a basic knowledge of international tax.
Day 1

09.00 - 10.30 Current Trends in International Tax Planning
- OECD report on Base Erosion and Profit Shifting
- G20 and EU work
- What is aggressive tax planning?
- When is the use of a holding/finance/captive insurance company unacceptable?
- Application of domestic anti-avoidance rules
  - CFC rules
  - Thin capitalization rules
  - Anti-tax haven rules

10.30 - 11.00 Break – refreshments

11.00 - 12.30 BEPS Action Points – an Asian Perspective
- General overview
- Relevance from an Asian point of view
- Where are we heading

12.30 - 13.30 Lunch

13.30 - 15.00 Tax Planning for Digital Economy
- Different types of e-commerce
- E-commerce under the OECD Model Tax Convention and some concluded tax treaties
- What is taxable?
- Which country gets to tax?
- When is tax planning for e-commerce considered aggressive?
- BEPS Action 7: preventing the artificial avoidance of a PE status
- Some practical issues

15.00 - 15.30 Break – refreshments

15.30 - 17.00 Case Study
Day 2

09.00 - 10.30  Transfer Pricing Aspects of BEPS
- New OECD Guidelines on comparability factors
  - non-recognition
  - recharacterization
  - special measures?
- Low value added intra-group services
- Application of global profit split methods
- Action 13 – transfer pricing documentation and CbC reporting
- Examples and cases

10.30 - 11.00  Break – refreshments

11.00 - 12.30  Tax Planning for Intangibles (and R&D Activities)
- When is tax planning for intangibles considered aggressive?
- Action 8 – aligning taxation with value creation
- Implications of BEPS Action 8 on structuring of intangibles
  - definition of intangibles
  - migration of intangibles
  - contract R&D
  - local deployment of foreign brands
- Transfer pricing aspects of cost contribution arrangements
- Practical examples

12.30 - 13.30  Lunch

13.30 - 15.00  Recent Developments in Treaty Anti-Avoidance Measures
- Treaty shopping and “abuse of treaty"
- Liable to tax vs subject to tax
- Beneficial ownership
- Application of treaty anti-abuse clauses
- Examples and cases

15.00 - 15.30  Break – refreshments

15.30 - 17.00  Case Study
Day 3

09.00 - 10.30  Intra-Group Finance and BEPS

- Intra-group financing structures
- The importance of the arm’s length principle in intra-group finance
  - OECD Transfer Pricing Guidelines
- BEPS Action 3 – controlled foreign company rules
- BEPS Action 4 – interest limitation rules
- Implications of BEPS Action 5
- Implications of other BEPS Actions (e.g. Action 12)

10.30 - 11.00  Break – refreshments

11.00 - 12.30  Harmful Tax Competition and Use of Preferential Regimes

- BEPS Action 5 – harmful tax competition and transparency
- Recent developments
- What constitutes “substance”?
- Spontaneous exchange of information – what does it mean?
- What do practitioners need to know?
- What’s next?

12.30 - 13.30  Lunch

13.30 - 15.00  Hybrid Mismatches in Corporate Tax Planning

- Types of hybrid mismatches
- Examples of structures involving hybrid instruments
- Examples of structures involving hybrid entities
- Tax treaty and EU aspects of hybrid mismatches
- BEPS Action Plan – Actions 2 and 12
- Examples of domestic law responses to hybrid mismatches
- Examples of tax treaty responses to hybrid mismatches

15.00 - 15.30  Break – refreshments

15.30 - 17.00  Case Study