



Tax Conflicts for Multinational Enterprises Under BEPS

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Tax Structuring Via Fragmentation

- **Technical services**
- Intangible property-cost sharing
- Electronic commerce
- Manufacturing
- Relocate corporate headquarters
- Off-shore call centers
- Foreign subsidiaries in tax havens
- Avoid long- and short-term gains

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Fiscal Officer Responses

- **Redefine source to prevent profit shifting**

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- **Expand treaty exchanges and audits**
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- **Redefine treaty concepts to be less restrictive**