



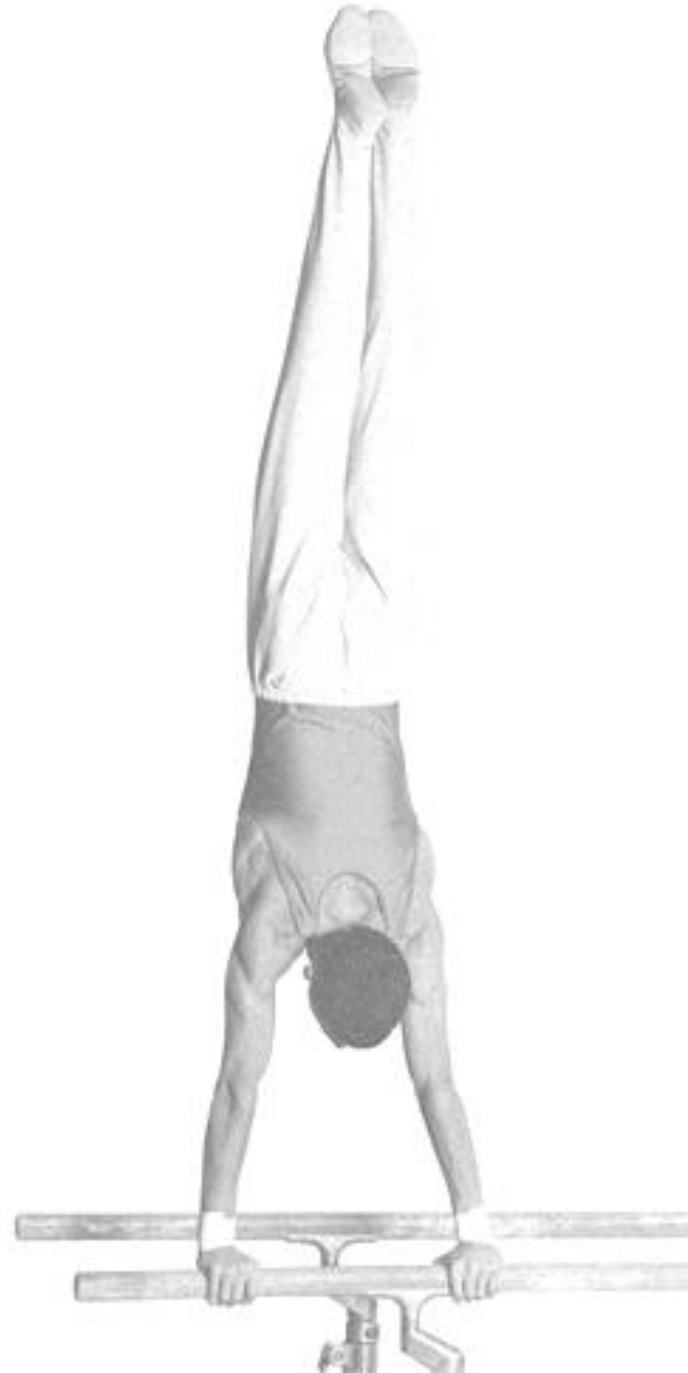
BMR Advisors

Challenge Us

Emerging Tax issues for Multinationals in India

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Emerging Tax issues for MNEs in India

Panel:

Kiran Umrootkar - Chair

Shefali Goradia, BMR Advisors (Panel Lead)

Bill Husthwaite, Shell, Singapore

Peter Barnes, Ex-GE USA

Catherine Damelincourt, Alstom, France

Rupak Saha, GE India

Pinky Mehta, Aditya Birla Group India

Daksha Baxi, Khaitan & Co

Tax Environment

- **BEPS and G20**
- **GAAR**
- **Political pressure on MNEs**
- **Shareholders v Consumers**
- **Exchange of information**
- **Dispute resolution landscape**
- **Role of Tax Heads and Legal Counsels**

Permanent Establishment

- **Virtual PE – Electronic presence**
- **Subsidiary PE – Deemed agency unless proved otherwise**
- **Service PE – Secondment / Deputation / travel of employees**
- **Supply chain model – stock of goods / delivery**
- **Requalification of AE and taxation of offshore contracts**

Profit attribution

- **Ad-hoc allocation**
- **Deductibility of expenses**

Transfer pricing

- **Actions under BEPS report**
- **Taxability of HQ charges**
- **Premium on issue of shares**
- **Advertising, marketing and promotion spend - Marketing intangibles**
- **Disclosures as per the revised Transfer Pricing Certificate (group restructuring, guarantees etc.)**
- **Safe harbor rules – R&D companies**
- **APA – expectation and experience**

Intra-group payments

- **Service fees paid by Indian companies to foreign affiliates**
- **Cost sharing and allocation keys**
- **Reimbursement of expenses - documentation**
- **Recent experience in tax audits in India**
- **Global practice**

Treaty abuse and GAAR

- **Tax residency**
- **Economic substance**
- **Beneficial ownership**
- **Withholding tax and refund claims**
- **Foreign tax credit in home country**

Indirect transfer

Indirect transfer tax

- Potential of multiple taxation
- Retroactive effect
- What comprises '*substantial*' value?
- Computation mechanism
- Impact on international acquisitions
- Intra-group restructurings

Tax Reforms

- **Mutual trust**
- **Certainty**
- **Multilateral consensus on tax positions**
- **Effective dispute resolution**
- **Underlying tax credits**