

wtsglobal



Global Transfer Pricing

The transfer pricing challenge

Transfer pricing is a challenging and potentially expensive tax issue for multinational companies. In the current global economic environment, tax authorities around the world are keen to protect their tax base and have an increasing focus on transfer pricing.

The potential cost of not implementing appropriate transfer pricing is an adjustment upon a transfer pricing audit, potentially with penalties and double taxation.

Moreover, considering the current public discussion about the tax practice of multinationals and the initiative of the OECD on Base Erosion and Profit Shifting – “BEPS” – it can only be expected that transfer pricing requirements will become increasingly complex in most jurisdictions around the world.

BEPS: KEY QUESTIONS FOR MULTINATIONAL GROUPS

- Do you have robust transfer pricing policies in place?
- Have you prepared a Country-by-Country Report and considered what that discloses?
- Have you reviewed the use and ownership of intellectual property in the group?
- Do you have intercompany loans? Are you aware of the OECD’s new guidance for determining interest rates?

HOW WTS GLOBAL CAN HELP

In addressing these challenges, WTS Global is uniquely positioned to assist businesses in dealing with a range of complex transfer pricing issues:



In order to avoid any conflict of interest, we deliberately refrain from conducting accounting audits. As a result, our clients can always be certain that we will be in a position to represent and advise them whenever required.



The expertise and the high quality standards of each partner firm together with proven working relationships within the network yield a consistent level of excellence and outstanding client service. We have established a dedicated quality and risk management function.



Our clients have one point of contact who knows the client’s business and the client’s expectations and needs. Each such WTS contact efficiently coordinates an international project team for the client.



WTS Global acts as a coordinated global team with each member knowing immediately who to contact in another country, thereby securing cost efficiency and responsiveness for any jurisdiction required.

How WTS Global can work with your business

- Pragmatic TP policy solutions
- Global TP risk assessment
- Supply chain advice, planning and optimisation
- Advice on intercompany transactions involving Intellectual Property
- Comprehensive economic analysis and benchmarking
- Credit rating analysis and determination of arm's length interest rates
- Financial modelling
- Value contribution analysis
- BEPS impact analysis

Planning & Optimisation

- Preparation of OECD-compliant and local country TP documentation
- Review of Country-by-Country Reports
- Preparation of documentation in a Master File and Local File format
- Operational TP guidelines
- Implementation of TP policies into internal accounting systems
- Preparation and documentation of intercompany agreements

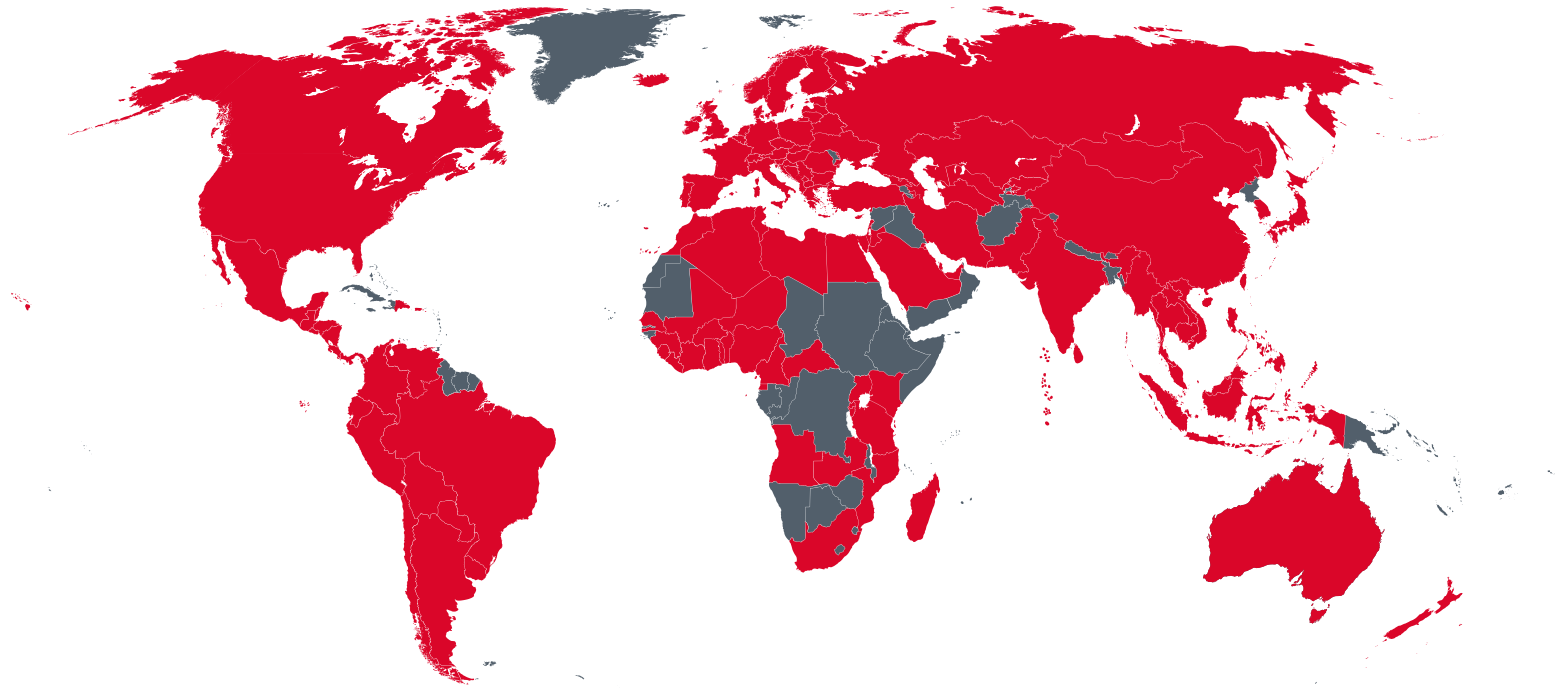
Documentation

- Comprehensive cross-border business restructuring advice
- Valuation of intangible assets
- OECD Chapter IX analysis and documentation of business restructuring
- Determination of the earning value of individual functions

Business Restructuring

Transfer Pricing Defence

- Advice and assistance in the negotiation of Advance Pricing Agreements ("APAs") and Advance Thin Capitalisation Agreements ("ATCAs")
- Defence of TP policies in external audits by tax administrations and litigation
- Advice and assistance with the Mutual Agreement Procedure



With a presence in more than 100 countries, WTS Global is the leading independent network of tax partner firms. Aside from tax services, WTS Global offers legal and consulting services - we deliberately refrain from conducting annual audits in order to avoid potential conflicts of interest. Our client base varies from large multinational groups to private sector clients.

The WTS global transfer pricing service line includes experienced tax advisors, economists and former tax authority professionals. Our service offering comprises the whole

range of transfer pricing services, from the provision of transfer pricing policy solutions to the preparation of OECD-compliant and local country transfer pricing documentation, advice on intercompany transactions involving intellectual property, business restructuring advice, benchmarking services, tax audit defence, litigation and arbitration proceedings and negotiation of APAs.

WTS Global applies a business-oriented approach to develop innovative and pragmatic transfer pricing solutions for clients across a range of industries.



Maik Heggmaier

Phone +49 (0) 89 2864 6212
maik.heggmaier@wts.de



Jared Walls

Phone +1 (530) 301-1818
jared.walls@valentiam.com