NEWSLETTER

IFA / INDIA BRANCH

Dear IFA Colleagues,

New year greetings

An eventful 2018 is behind us. Eventful, since the world continues to witness tectonic changes in the international tax landscape. Starting with the impact of the United States Tax Cuts & Jobs Act amending the Internal Revenue Code of 1986, sea changes will impact U.S. MNE's and foreign subsidiaries of international businesses in U.S. The new code reduces an incentive for tax inversion, which sought benefit of the U.S. territorial system by moving the headquarters to other countries, and this is forcing US MNE's to relook at their structures. Besides, the new code has added several jargons to our daily life - what is GOOD, BEAT (base erosion & anti-abuse tax) & GILTI (global intangible low tax income). In 2018, the IRS kept tax payers engaged with slew of updates on reforms.

Midway in Europe, EU has accelerated plans for imposing Digital Tax, adding to the list of nations pursuing unilateral measures as expectations from OECD led BEPS 2019 interim report have accentuated. In other major jurisdictions, Governments are targeting high tech giants with new taxes and at home, India, our law makers didn't miss an opportunity to legislate 'Significant Economic Presence' to add to our business connection rules for tightening noose on source based taxation. All of this means that Governments across the globe would get tougher on legislation, tax administrations would toe the line of law makers, making the job of judiciary challenging. For all the reasons, tax risk management would assume center stage in Board meetings as businesses would continue to pursue their quest for a fair, if not rationale way to tax. Tax advisors, external or in-house, will find themselves in midst of a pivotal role akin to "Centre forward" player.

Our editorial team has put out an exciting content in this quarter. We have Sagar Wagh leading a case study on vexed topic of 'Agency PE', with a group of Indian and International tax experts, Peter Barnes, Amar Mehta, Rohinton Sidhwa & Vijay Mathur followed by highlights of global update in last quarter of 2018.

Past, a few months has witnessed flurry of activities at the IFA Academy in Noida led by our enthusiastic branch Secretary Vijay Goel, an interactive webinar with APA Commissioners & DG of International Tax, activation of WIN (Women IFA Network) pursuant to Seoul Congress and several study circle & webinars organized across cities. On behalf of the Executive Committee, I wish to place on record our appreciation for IFA YIN colleagues for putting together an excellent conference in the Golden city of Amritsar with several prominent speakers, amassing record attendance. This has prompted our young IFA colleagues to host a similar event in Hyderabad last quarter of 2019. Our felicitations to Mr. Akhilesh Ranjan, India's Sherpa at OECD, who painstakingly presided as DG of International tax, for his elevation as Member (legislation), CBDT.

I am confident 2019 will be full of activities, as highlighted in the news letter. Two of our India branch flagship events would be annual event in Delhi on April 26-27 with support from IBFD and August 9-10 conference on digital tax in Bangalore organized jointly with International Tax research analysis foundation. Also, Melbourne shall be hosting this year's Asia-Pacific event in June and later in the year, we expect a record attendance at the annual congress in London in September.

Though, we anticipate delay in getting our Mumbai IFA Academy operational as per plans, we are working to continuously upgrade our webinar capability to reach members and IFA enthusiasts.

I wish you all a joyful & productive year ahead of us and look forward to welcoming you for the IFA events and visiting branches.

Before I end, I leave you with a special message from Murray Clayson, President - International Fiscal Association *https://mailchi.mp/ifa.nl/january-2019-new-year?e=643d3bdb67*

MUKESH BUTANI
Chairman, India branch.

NEWSLETTER

IFA / INDIA BRANCH

Dear Readers,

"Welcome to our first issue of the new year 2019!

In this issue, we take you through an exciting case study on 'Agency PE' - where we have posed questions to some of the veterans in the international tax arena, and bring to you their 'take' on this complex issue of Agency PE. The advent of OECD - BEPs Action Plan 7, consequent modification of Agency PE clause in Article 5 of the Model Tax Convention, changes in the Indian domestic law as well as the impact of MLI, makes this discussion a more interesting read!

This is followed by a coverage of some key global international tax updates. Our last section gives a glimpse of the various India and global conferences/ seminars organized by IFA.

Give this issue a read and do let us know what you think on info@ifaindiaacademy.in.

On behalf of Hon Chairman; Hon Secretary, and entire Editorial Board, I wish you a prosperous year 2019 ahead!"

PARESH PAREKH
Editor-in-Chief

26TH - 27TH APRIL 2019

NEW DELHI, *INDIA*

INTERNATIONAL TAX CONFERENCE 2019

http://www.ifaindia.in/downloads/Programme_International_Tax_Conference_April_26_%2027_2019_at_new_delhi.pdf

THE SCIENTIFIC WORLD OF IFA

One of the cornerstones of the IFA is to encourage scientific work and to inspire young professionals to advance in the world of international tax. In this light, the Permanent Scientific Committee of IFA invites young professionals to apply for the upcoming research projects and awards. This is an excellent opportunity for Young tax professionals (lawyers, accountants, economists or students) to become part of the IFA community.

THE FOUR RESEARCH PROJECTS AND AWARDS ARE:

01 The Mitchell B. Carroll Prize, to encourage scientific work. This Prize is awarded for work dealing in international fiscal questions, comparative fiscal law or local fiscal law with emphasis on the relationships with the fiscal law of foreign jurisdictions. *https://www.ifa.nl/research-awards/mitchell-b-carroll-prize*

02 The Maurice Lauré Prize to encourage scientific work on international indirect taxation. *https://www.ifa.nl/research-awards/maurice-lauré-prize*

03 The Poster Programme, to encourage students to study and discuss international taxation - Open to students graduating in international taxation, writing a thesis on a purely theoretical or more practical subject. *https://www.ifa.nl/research-awards/poster-programme*

04 The IFA President YIN Scientific Award for article published in a qualified medium, furthering the understanding of international fiscal law or comparative tax law, providing practical solutions to problems arising in cross-border transactions or situations. *https://www.ifa.nl/research-awards/ifa-president-yin-scientific-award*

The rules of the competitions and application are published on the IFA website: *www.ifa.nl/research-awards*
If you are a young professional, do put in your application. In case you need any help, do not hesitate to *contact* the General Secretariat!

WHAT'S IN?

AGENCY PE: CASE STUDY, QUESTIONS AND EXPERTSPEAK

COORDINATED BY
SAGAR WAGH

** Case study conceptualised by and responses co-ordinated by Sagar Wagh*

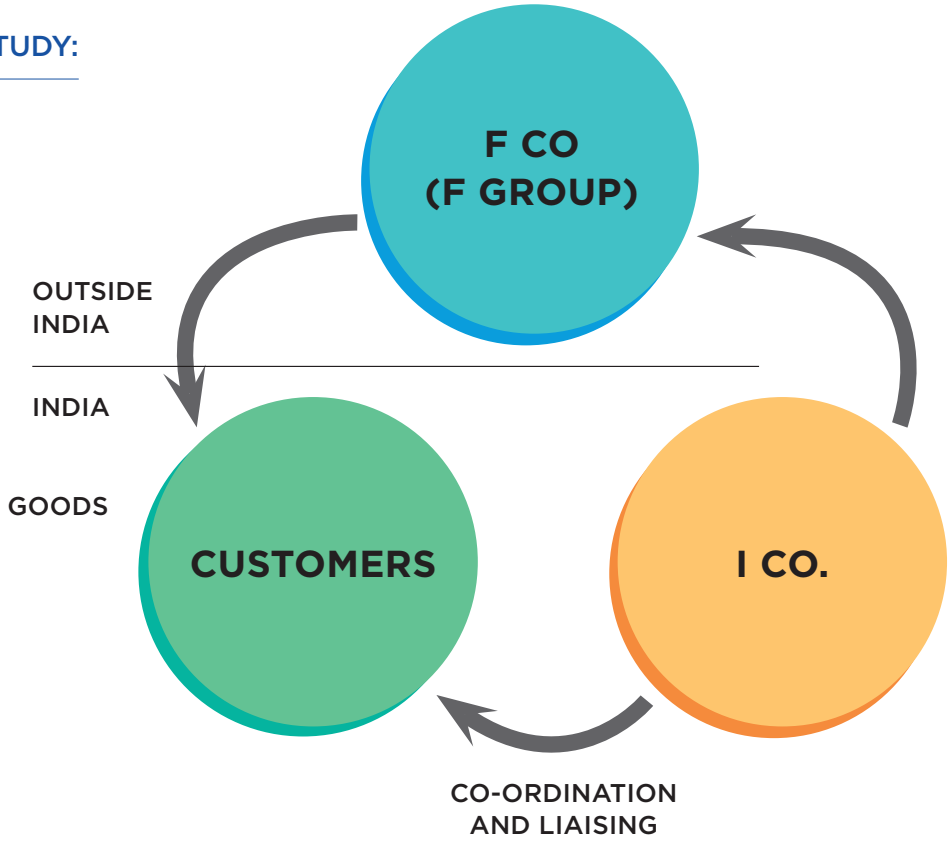
The Action 7 of OECD has modified the Agency Permanent Establishment (PE) clause in Article 5 of Model Tax Convention. The new amended clause provides that a person, other than agent of independent status, would constitute an Agency PE of non-resident enterprise in contracting state if it plays a principal role leading to conclusion of contract, that is routinely concluded, without material modification by that non-resident enterprise for transfer/provision of goods or services by that non-resident enterprise.

In wake of the amendment in Article 5 of Model tax convention, India has amended the definition of 'business connection' (akin to PE) in its domestic tax law. The Indian definition of business connection is narrower than amended definition of Agency PE as it excludes the words 'that are routinely concluded without material modification'. Accordingly, even those cases where the non-resident enterprise routinely reviews the terms & conditions in respect of the contract negotiated by person in India and makes material modification, will fall under the ambit of business connection clause of Indian tax law.

Modified Agency PE clause has also been introduced in multilateral instrument (multilateral tax treaty) signed by India with 93 countries. Whenever India and its covered tax treaty partner would notify the covered tax treaty, the existing tax treaty between India and its covered tax treaty partner will stand amended with insertion of the new Agency PE clause.

SECTION 1

CASE STUDY:



FACTS OF THE CASE:

- I Co. is the member of F Group which is headquartered in France. The ultimate parent company of F Group is F Co., a French company.
- F Co. is engaged in direct sale of goods in India.
- I Co. is engaged in provision of marketing support services to F Co.
- I Co.'s activities consist of identifying customers, canvassing & marketing F Co.'s goods in India, undertaking marketing research, co-ordinating and liaising with F Co.'s customers in India.
- F Co.'s products are customised products and each product is designed and tailor-made for particular customer.
- I Co.'s role involves understanding the customer requirements, providing suggestions to customers for finalising product design, agreeing to delivery schedules for product delivery and negotiating the price and other terms & conditions with F Co.'s customers in India.
- I Co. has been provided with the operational guidelines by F Co. and all its activities are carried out in line with such operational guidelines document.
- Before the contract price and other terms are finalised, I Co. seeks approval of F Co. on the negotiated terms with end customers.
- As the price and terms of the contract are based on the guidelines given by F Co., generally no material modification to the contract is made by F Co. while providing its approval.
- The contract is executed between F Co. and Indian customers outside India.
- Agreement between F Co. and I Co. does not provide for I Co. undertaking negotiation of prices and contract terms with customers.
- As per the agreement, I Co. is remunerated with 10% commission for its marketing support activities.
- As per transfer pricing analysis (conducted on basis of functions performed and risks assumed as per inter-company agreement), the commission earned by I Co. was benchmarked at arm's length price.

CONTENTIONS OF TAX AUTHORITIES:

- During the course of income tax audit, the tax authorities alleged that I Co. constituted agency PE of F Co. on account of its activities.

CONTENTIONS OF I CO (TAXPAYER):

- The contracts are signed outside India and hence, contracts are concluded outside India.
- The contracts are routinely approved by F Co. and hence activities performed by I Co. are in nature of support services.
- No material modification has been done by F Co. to the terms & other conditions including prices negotiated by I Co. solely due to the reason that I Co. strictly follows the guidelines given by F Co.
- I Co. is an independent agent under current tax treaty provisions as it earns arm's length commission for its activities and hence, the provisions of Agency PE clause in India – France tax treaty are not applicable to it.
- As I Co. is earning arm's length commission, no further income should be attributable to it for its activities.
- The current tax treaty does not cover cases where the person in source state plays only influential role leading to conclusion of contract rather than signing of contract by itself.

APPLICABLE PROVISIONS:

- Indian tax law provides that provisions of tax treaty to the extent favourable to the taxpayer, as compared to provisions of the Income Tax Act will be applicable to the taxpayer.
- **DEFINITION OF BUSINESS CONNECTION IN INDIAN TAX LAW (FINANCE ACT 2018) :**

For the removal of doubts, it is hereby declared that "business connection" shall include any business activity carried out through a person who, acting on behalf of the non-resident,—

(a) has and habitually exercises in India, an authority to conclude contracts on behalf of the non-resident or habitually concludes contracts or habitually plays the principal role leading to conclusion of contracts by that non-resident and the contracts are—

(i) in the name of the non-resident; or

(ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that non-resident or that non-resident has the right to use; or

(iii) for the provision of services by the non-resident; or

(b) has no such authority, but habitually maintains in India a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the non-resident; or

(c) habitually secures orders in India, mainly or wholly for the non-resident or for that non-resident and other non-residents controlling, controlled by, or subject to the same common control, as that non-resident:

Provided that such business connection shall not include any business activity carried out through a broker, general commission agent or any other agent having an independent status, if such broker, general commission agent or any other agent having an independent status is acting in the ordinary course of his business:

Provided further that where such broker, general commission agent or any other agent works mainly or wholly on behalf of a non-resident (hereafter in this proviso referred to as the principal non-resident) or on behalf of such non-resident and other non-residents which are controlled by the principal non-resident or have a controlling interest in the principal non-resident or are subject to the same common control as the principal non-resident, he shall not be deemed to be a broker, general commission agent or an agent of an independent status.

- **CURRENT AGENCY PE CLAUSE IN INDIA – FRANCE TAX TREATY (BEFORE AMENDMENT BY MLI)**

Article 5(5) and Article 5(6) of India – France tax treaty

5. Notwithstanding the provisions of paragraphs 1 and 2 where a person other than an agent of an independent status to whom paragraph 6 applies is acting in one of the Contracting States on behalf of an enterprise of the other Contracting State, that enterprise shall be deemed to have a permanent establishment in the first-mentioned Contracting State, if :

a) he has and habitually exercises in that Contracting State an authority to conclude contracts on behalf of the enterprise, unless, his activities are limited to the purchase of goods or merchandise for the enterprise ; or

b) he has no such authority, but habitually maintains in the first-mentioned Contracting State a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the enterprise.

6. An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other Contracting State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business. However, when the activities of such an agent are devoted wholly or almost wholly on behalf of that enterprise, he will not be considered an agent of an independent status within the meaning of this paragraph if it is shown that the transactions between the agent and the enterprise were not made under at arm's length conditions.

- **INDIA – FRANCE TAX TREATY – CURRENT MLI POSITION**

France has ratified MLI. However, Indian government has not yet ratified MLI. India and France have both included each other in list of covered tax agreements and have chosen to amend the Agency PE clause in their tax treaty as per MLI provisions once both the tax treaty partners ratify the covered tax agreement.

QUESTIONS:

(i) Where contracts are signed outside India, can I Co. be said to constitute Agency PE of F Co. in India as per current tax treaty provisions on account of undertaking negotiation of prices, other terms & conditions of contract on behalf of F Co.?

(ii) Whether concluding contracts on behalf of non-resident enterprise (as per

current tax treaty) also includes situation where enterprise in source state plays a principal role which leads to conclusion of contract?

(iii) Whether as a blanket rule, there should be no additional attribution to profits of PE when the remuneration paid to PE as per transfer pricing analysis is demonstrated to be at arm's length?

(iv) Whether in the case at hand, can I Co. be said to be an independent agent as per Article 5(6) India – France tax treaty on account of earning arm's length commission for its marketing support activities as per transfer pricing analysis conducted with reference to inter-company agreement or any additional attribution of profits to I Co. are warranted?

(v) If additional profits are to be attributed to I Co. kindly provide attribution methodology?

(PS: India does not recognises Authorised OECD approach for attribution of profits to PE)

(vi) Under MLI provisions, whether the condition **'that are routinely concluded without material modification'** would be inapplicable in cases where the person playing principal role leading to conclusion of contracts is following standard operating procedures given by non-resident enterprise and hence in no event would non-resident enterprise materially modify the contract?

(vii) Can tax authorities resort to use of MLI provisions in a situation where India has not ratified covered tax treaty with France?

EXPERTSPEAK:

MR. PETER BARNES

[Of Counsel, Caplin & Drysdale Attorneys, Former U.S. delegate to the Permanent Scientific Committee of the International Fiscal Association ("IFA")]

QUESTION 1

The single fact that a contract is signed outside the relevant country – in this case, India – is not sufficient to prevent an Indian company from creating a PE for a non-resident company. The question is whether the signing of the contract by the non-resident enterprise is a mere, ministerial act, because the relevant contract terms are almost always negotiated within the source country by a resident enterprise. In the case study, it appears that signing the contracts is not a ministerial act. The facts state that "generally no material modification to the contract is made by F Co." (Emphasis added.) The fact that "generally" no modification is made suggests that in some material number of cases the contract is modified, and therefore that F Co. is reviewing the contracts with care and exercising its authority over the terms. So, in this case study, the fact that I Co. negotiates some terms (and even many terms) of the contracts does not mean that I Co. concludes contracts.

QUESTION 2

"Concluding contracts" on behalf of a non-resident enterprise requires more than the fact that an enterprise in the source state plays a principal role in identifying customers and negotiating terms. The resident country enterprise will almost always have more contact with customers in that same country than the non-resident principal. It would be over-broad to just count contacts with customers. The question is which party – the resident enterprise or the non-resident principal – has and exercises the power to set terms for the contract. That is a qualitative analysis, not a quantitative one.

QUESTION 3

Yes, there should be a blanket rule that there should be no additional attribution of profits to a PE when the remuneration paid to the enterprise that creates the PE is arm's-length. This is a huge – and, regrettably, still somewhat unsettled – international tax issue: if a subsidiary in a country like India creates a taxable presence for a nonresident company (whether the parties are related or not), does the taxing jurisdiction collect one tax, or two?

Many countries and the OECD are pushing to lower the threshold required for finding that a taxable permanent establishment exists. These efforts are lawful, of course. But finding a taxable presence means little – to both taxpayers and taxing jurisdictions – if there is no income attributable to that presence.

This case study asserts as a fact that the commission paid to I Co. "was benchmarked at an arm's-length price." That statement brims with hidden meaning. Does the Indian tax authority agree that the commission paid to I Co. is adequate? Or, is there ambiguity whether I Co. is fully compensated, in view of its role?

If I Co. is, indeed, fully compensated for the services performed in India, then I believe there should be zero additional income attributed to I Co. in the event it is determined that I Co. creates a PE of F Co. What additional income could properly be taxed in India? Some advisors assert and some taxpayers fear that there will be a second pot of income that could be taxed in India. My view? That's wrong, simply wrong.

QUESTION 4

Under the facts as stated, I Co. can be said to be an independent agent as per Article 5(6) of the India-France treaty. The facts state that the commission paid to I Co. is arm's-length. The Indian tax authorities can challenge that assertion, but, if the commission is indeed arm's-length, then I Co. is an independent agent of F Co.

It appears from the facts that I Co. may represent only F Co. and no other non-resident enterprise. The commentary to the UN Model Double Tax Convention, Article 5, Paragraph 7 has an important and insightful discussion of this fact situation, including changes to the UN model convention through the years to make clear that a subsidiary can be an independent agent even when it represents only one, related non-resident enterprise.

QUESTION 5

Assuming that the commission paid to I Co. is indeed arm's-length, then I believe no additional profit should be attributed to I Co. The fact that all of the functions, assets and risks in India are already accounted for in determining the commission paid to I Co. makes clear that there is no sound basis for identifying and attributing additional income.

QUESTION 6

Different lines of business involve different degrees of customization for contracts of sale. In a "flow" business – involving, for instance, identical goods such as cell phones or consumer electronics – the terms of sale are largely standardized. There are few, if any, modifications for specific contracts. However, a non-resident principal can exercise authority by regularly and closely monitoring the terms of sale and adjusting terms (prices, length of contracts, etc.) as frequently as needed. These changes will result in changes in the standard operating procedures.

In other businesses – specialized insurance, orders for sophisticated and customized equipment – each contract is unique. The inquiry is whether the resident enterprise, or the non-resident enterprise, controls decision-making.

QUESTION 7

Tax authorities of all countries should be cautious in applying the MLI, limiting its use to only those cases where it is manifestly certain that both countries have adopted a common term or standard for use in their joint tax treaty. It would be unfair to taxpayers, and potentially dangerous to the MLI, for tax authorities to seek to use the MLI aggressively, in cases where it is not clear that the two countries have a common intention.

DR. AMAR MEHTA
President, Indi-Genius Consulting Inc

The facts in this case study, to certain extent, seem similar to the relevant facts in the Canadian decision in American Wheelabrator and Equipment Corporation v. MNR (51 DTC 285). But, there are some significant differences. In this case study, I Co.'s role includes negotiation of price and other terms with F Co.'s customers.

As one of the prerequisites for existence of a dependent agency permanent establishment (DAPE), the agent must have the authority to conclude contracts on behalf of the principal. That element is missing in this case study. It would be relevant to point out the Indian ITAT's decision in DDIT v. B4U International Holdings Ltd. (28 May 2012, ITA No. 80/Mum/2005). In that case, the foreign principal had provided a rate card to the Indian agent, and the Indian agent was not authorized to deviate from the rates stated therein. The Indian agent was authorized only to forward the orders to the principal, and the principal had reserved the right to accept or reject the orders. The ITAT denied existence of the DAPE. Also see the AAR's ruling in Al Nisr Publishing, In re (27 January 1998).

Assuming that I Co.'s activities are devoted wholly or almost wholly on behalf of F Co., then in terms of Art. 5(6) of the India-France tax treaty, it should not be regarded as an 'independent agent'. But, if I Co neither has nor habitually exercises the authority to conclude contracts on behalf F Co., then the prerequisite stipulated in Art. 5(5)(a) of the India-France tax treaty for existence of the DAPE would not be satisfied. In that case, the fact that I Co. participates in the negotiation process with the Indian customers may not make a difference even if such participation plays a principal role leading to conclusion of the contracts by F Co. However, it is relevant to note that even if the agreement between F Co. and I Co. does not authorize I Co. to conclude contracts with the customers but, de facto, I Co. concludes contracts with the customers, then that may satisfy the above-mentioned prerequisite for existence of DAPE. In that context, see the Netherlands court's case in Gut Trader [dated 20 June 1978].

Even if F Co. were to be (hypothetically) regarded as having a DAPE in India, in view of the various Indian precedents, arm's length compensation to I Co. should exhaust any income attributable to the DAPE. Hence, that should not give rise to F Co.'s tax liability in India.

In the author's view, the source state tax authorities cannot read the MLI provisions into the India-France tax treaty before those provisions come into force. Once those provisions come into force, depending on precise facts of the case, the prerequisites for existence of F Co.'s DAPE in India may be satisfied. Then too, as per the current Indian judicial position, arm's length compensation to I Co. should exhaust the income attributable to F Co.'s Indian DAPE.

In view of the above, the responses to the questions stated in the case study are as follows:

SECTION 1

QUESTION 1:

Art. 5(5)(a) of the tax treaty between India and France is relevant in this context. As I Co. does not maintain a stock of goods/ merchandise in India on behalf of F Co., Art. 5(5)(b) of the tax treaty does not seem relevant.

In the present case, it appears, the prerequisite for existence of a dependent agency permanent establishment is not satisfied because I Co does not possess (nor does it exercise) an authority to conclude contracts on behalf of F Co. Negotiations (but not conclusion) of contracts by I Co. should not lead to a different conclusion under the tax treaty as it exists contemporarily.

QUESTION 2:

No. the expression "conclusion of contracts" and "principal role leading to conclusion of contracts" are not synonymous. Under the tax treaty in the current form, 'conclusion of contracts' and not 'playing a principal role leading to conclusion of contracts' is a prerequisite for existence of a dependent agency permanent establishment.

QUESTION 3:

This question would be relevant if F Co. is found to have a dependent agency permanent establishment in India. In the present case, since it seems that F Co. should not be regarded as having a dependent agency permanent establishment, the said question does not seem relevant.

Even if F Co. were to be regarded as having a dependent agency permanent establishment in India, as per the judicial developments till date, the arm's length compensation to I Co. should exhaust any income attributable to F Co.'s permanent establishment and, hence, should not give rise to tax liability in India.

QUESTION 4 :

Since the compensation to I Co. is at arm's length, in view of the last sentence in Art. 5(6) of the tax treaty between India and France, it may be possible to take a view that I Co. should be regarded as an 'independent agent' even if its activities are devoted 'wholly or almost wholly' on behalf of F Co., provided I Co. acts in the ordinary course of its business.

QUESTION 5:

This does not seem relevant in the present case because (i) F Co. should not be regarded as having a dependent agency permanent establishment in India and (ii) even if F Co. were to be regarded as having a dependent agency permanent establishment in India, arm's length compensation to I Co. should exhaust any income attributable to the permanent establishment.

QUESTION 6:

In case of a tax treaty incorporating the above-mentioned condition, the proposition that an agent following standard operating procedures provided by the foreign principal (and such actions of the agent playing a principal role leading to conclusion of contracts) cannot give rise to a dependent agency permanent establishment may not be tenable.

QUESTION 7:

No.

MR. ROHINTON SIDHWA
Partner, Deloitte Haskins & Sells

Under Article 5(5) of the India-France DTAA, a principal is deemed to have a DAPE if the agent acting on his behalf has and habitually exercises an authority to conclude contracts in a contracting state.

The India-France DTAA clarifies that an independent agent is one of "independent" status who acts in the ordinary course of business. Generally, independence in this context is interpreted to mean economic, financial and managerial independence of operation. Agents that are capable of being significantly controlled by their principals generally would be excluded. Hence an agent whose business activity substantially emanates from a single principal may not automatically be presumed to be independent. Most treaties stop there in their definition of independence. The India-France DTAA goes an extra step by adding the extra requirement of arms-length compensation to the agent (incidentally, a similar provision also exists in the India-US DTAA).

The treaty with France in this context was adjudicated before the Mumbai Tribunal (see 49-SOT-719) and it was held that Article 5(6) of India French DTAA, is somewhat unique, being a clear deviation from the standard UN and OECD Model conventions. Even when an agent is wholly or almost wholly dependent on the foreign enterprise, he will still be treated as an independent agent unless the additional condition of the transactions being not an arm's length conditions is fulfilled. The implication of the agent being treated as an independent agent is that the provisions of dependent agent PE, as set out in Article 5(5), can never come into play.

Given this it is important to know whether the payment to the agent is at arm-length. The case study says that transfer pricing analysis (conducted on basis of functions performed and risks assumed as per inter-company agreement), the commission earned by I Co. was benchmarked at arm's length price. The agreement sets the price at 10% commission for the activities of I Co. However the study also mentions that the agreement does not take into cognizance that I Co is also undertaking negotiation and contract

terms with customers

Keeping the above context in mind and assuming I Co is not being compensated at an arms-length price for the services it performs the questions are responded to below.

QUESTION 1:

In the event, I Co negotiates price and other key terms and conditions of the contract on behalf of F Co in India, there is a possibility of I Co constituting an Agency PE as per the existing India-France tax treaty read with the OECD Model Commentary on Dependent Agent PE in India. Signing of the contract outside India is of no relevance.

QUESTION 2:

Though the tax treaty in the existing form does not clarify whether playing a principal role in concluding contracts would be considered as constituting a DAPE, judicial precedents in India have held that any form of carrying out negotiation of contracts on behalf of foreign enterprise would trigger this exposure. Accordingly, playing a principal role in contract conclusion should be considered as forming part of conclusion of contracts.

QUESTION 3:

The Supreme Court in Morgan Stanley has upheld the view that where a PE has been remunerated at arms' length, no further attribution should happen. This judgement was rendered in the context of Service PE. In the context of the DAPE, the Mumbai High Court in the case of SET Satellite also has upheld the same proposition. The appeal of the Revenue on this case is pending before the Supreme Court.

QUESTION 4:

When remunerated at arms' length (after including in such analysis, all functions performed, including those not included in the agreement), I Co. would be considered to be an Independent Agent. Consequently, there would be no DAPE and hence the question of attribution would not arise.

QUESTION 5:

Not applicable in view of above.

QUESTION 6:

As per the OECD Model Commentary, even where standard operating procedures are followed, the activities of the dependent agent could result in the constitution of PE. The Commentary opines that convincing the customers to accept the standard terms is a crucial function that leads to conclusion of contracts.

QUESTION 7:

Tax authorities cannot resort to MLI where India has not ratified the covered tax treaty.

MR. VIJAY MATHUR
Sr. Advisor – Tax & Regulatory Services, PwC India

QUESTION 1:

Contracts being signed outside India may not be of any consequence as for Dependent Agency PE, provisions in the DTAA relating to 'authority to conclude contracts' need to be seen. In the case at hand all the substantive activities relating to conclusion of contracts are carried out in India. I. Co. would constitute an Agency PE of F. Co. even as per current treaty provisions.

QUESTION 2 :

Yes it does include such a situation. Authority to conclude contracts under the current treaty means actual exercise of authority, substantive activity, the substance and not the form of the conclusion of contracts by I. Co.

QUESTION 3

Transfer Pricing analysis has been made on the basis of the written agreement which is at divergence with the actual role/functions performed by I. Co. Commission was benchmarked on basis of agreement. There can be additional attribution to profits of PE on the grounds of many more functions performed.

QUESTION 4

I.Co. could have been an Independent Agent if it had provided only market support services and it was benchmarked at arm's length. But the true nature of services is different. See also reply at (3).

QUESTION 5

In my view, benchmark a Distributors case and then shave off the functions not performed by I.Co. and attribute profits to the resultant shaved off entity accordingly

QUESTION 6

F Cos. products are customised – each product designed and tailored- made for a particular customer. Notwithstanding the agreement between I Co. and F, Co and the operational guidelines, the role of I. Co. extends from understanding a customers' requirement to providing suggestions to them on product design to delivery schedules as also negotiation of the price. Negotiated prices are honoured by F. Co. On approval and signing no material changes are made to the contract by F. Co.

If the 'principal role' performed by the agent is as per the standard operating procedures leading to the conclusion of the contracts without any modification by the enterprise, I. Co. would still be a DAPE. This would again be on the basis of the substantive activities carried out by the agent.

QUESTION 7

Tax authorities in India and France cannot use the MLI provisions till India has ratified the covered tax treaty.

INTERNATIONAL TAX UPDATES

BY
SAURAV BHATTACHARYA
SUDARSHAN RANGAN
PARUL JAIN

OECD Clarification Note on Multilateral Instruments Effective Date for Withholding Tax Provisions

Article 35 of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ('MLI') sets out when the provisions of the Convention shall affect each Contracting Jurisdiction concerning specific taxes which fall within the scope of a Covered Tax Agreement. In this regard by Article 35(1)(a), [1]there was a question as to when will the MLI affect taxes withheld at source where the latest of the dates of entry into force of the MLI for a pair of Contracting Jurisdictions is on 1 January of a given calendar year?. The OECD has clarified the question by issuing a note[2] dated 14 November 2018, wherein it has clarified that where an MLI enters into force say on 1 January 2019 as per Article 34 of the MLI, then the MLI shall have effect for events giving rise to withholding taxes which occur **on or after 1 January 2019**. The note also clarified that *"use of the word "on" can only mean that the date from which the MLI can have effect can be the same as the latest of the dates of entry into force".*

[1]Article 35 – Entry into Effect
1. The provisions of this Convention shall have effect in each Contracting Jurisdiction with respect to a Covered Tax Agreement:
a) with respect to taxes withheld at source on amounts paid or credited to non-residents, where the event giving rise to such taxes occurs on or after the first day of the next calendar year that begins on or after the latest of the dates on which this Convention enters into force for each of the Contracting Jurisdictions to the Covered Tax Agreement;
[2]http://www.oecd.org/tax/treaties/beps-mli-secretariat-note-entry-into-effect-under-article-35-1-a.pdf

The United Kingdom to introduce the Digital Services Tax from April 2020

The United Kingdom Chancellor Mr Philip Hammond during the Budget 2018 has announced that the UK would levy Digital Services Tax (DST) effective from April 2020. The proposed DST will target large Technology Companies deriving revenues on specific digital business models where the revenues are linked to the participation of the UK users. Effectively signifying that the UK users create value for these Technology Companies and hence the need for levying DST at a rate of 2% on the revenues derived from these transactions. The UK treasury also clarified that the current measure of levying DST would only be an interim measure until an appropriate global solution is arrived. Fearing the loss of revenues for the UK, the Government considers that the interim measure is imperative, as the current global solution being worked out by OECD is progressing at a slow pace. The UK Government in the coming days will issue a consultation paper on the mechanics and framework for levying DST. The proposed DST is to be effective from April 2020. It is also imperative to mention here that the Government of Spain has proposed to introduce the DST early next year and a proposal to that effect was presented by Spain Council of Ministries during October 2018. Spain proposes to levy DST on Online Advertising and Intermediary Services.

The United States of America condemns discriminatory treatment on the European Union's proposal to levy Digital Services Tax.

The United States Senate Committee on Finance ('Committee') in an official communication[3] to the President of the European Council and to the President of European Commission has expressed their dissent on the proposed Digital Services Tax ('DST') to be introduced and levied by the European Union member states. The Committee has expressed that *"The EU DST proposal has*

been designed to discriminate against US companies and undermine the international tax treaty system creating a significant new transatlantic trade barrier that runs counter to the newly launched the US and EU dialogue to reduce such barriers,".

The committee has also urged the EU to abandon the DST proposal and also suggested that the member states refrain from unilateral action. The major concern of the committee is that DST is a revenue-based tax and not a profit based tax, therefore with the existence of VAT, DST will lead to double taxation of multinational companies. The committee has requested the commission not to invoke any interim measures like DST and wait for the global consensus on Digital Taxation, currently undertaken through the OECD. It is also imperative to note here that the US has expressed their dissent over the UK's introduction of DST and has condemned the action of the UK for unilateral action.

[3] *https://www.finance.senate.gov/imo/media/doc/2018-10-18%20OGH%20RW%20to%20Juncker%20Tusk.pdf*

Saudi Arabia signs the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting[4]

Saudi Arabia became the 84th Country to join OECD's MLI convention. Saudi Arabia has notified 53 of its bilateral tax treaties it has entered as part of its covered tax agreement for MLI. India has entered into a tax treaty with Saudi Arabia and with this signing both the countries have notified each other as covered tax agreement for the MLI convention.

[4] *http://www.oecd.org/tax/treaties/beps-mli-position-saudi-arabia.pdf*

Belgium launches pilot programme on cooperative tax compliance[5]

The Belgian tax administration (Large Enterprises Division) announced the launch of a two-year pilot project on cooperative tax compliance ('CTCP'). The program, participation in which will be formalised through agreement between the taxpayer and the tax department, will apply to all Belgian entities and branches of a group. An all-in/ all-out principle will be applied based on consolidation rules. To be eligible to join the program enterprises must have revenue exceeding Euro 750 million, have balance sheet total exceeding Euro 1.5 billion, staff exceeding 1000 (not yet known whether these parameters need to be cumulative). In addition they must have filed tax returns timely in past, must not have been involved in any tax evasion, must have paid due taxes, must not have been involved in major violations of tax law or demonstrated major shortcoming during preceding three years and must also have a robust tax control framework in place. Joining this program will be voluntary. Participation in the CTCP from the view point of the taxpayer may be expected to lower the exposure to tax risk, hasten the establishment of tax certainty and favourably impact the image and perception of the taxpayer as one which is imbued with good corporate governance, internal risk management and risk control framework. The tax administration on the other hand expects to be assured of better compliance which may help it allocate its scare resources according to risk profile of tax

payers and reduced litigation. Joining the CTCP does not however imply that taxpayers will obtain a more beneficial tax treatment. The pilot kicks off at the end of 2018.

[5] *See also https://news.pwc.be/belgium-launches-pilot-program-cooperative-tax-compliance/*

Guernsey, Isle of Man and Jersey announce key aspects of proposed economic substance requirement

Assessing against the three standards of tax transparency, fair taxation and compliance with anti-BEPS measures it was noted by the EU Council in 2016 that the Crown Dependencies did not have a legal substance requirement for entities doing business in or through the jurisdiction and was concerned that it increased the risk that profits registered in a jurisdiction are not commensurate with economic activities and substantial economic presence. The Crown Dependencies committed to address these concerns by the end of 2018, pursuant to which they developed proposed legislation. In a release dated 5 November 2018 they have detailed key aspects of the proposed legislation. Under this, certain companies will be required to demonstrate that they have substance in the jurisdictions by being directed and managed there, conducting core income generating activities there and having adequate people, premises and expenditure there. These requirements apply to identified activities such as banking, insurance, shipping, fund management (not including collective investment vehicles), finance and leasing, headquarters, distribution and service centres, pure equity holding company and intellectual property. All tax resident companies will be required to provide more information in tax returns to ensure that the targeted activities can be identified. Tax returns will also be tailored to collect the information needed to monitor compliance with substance requirement. The proposed legislation, relevant to all tax resident companies in the Crown Dependencies, will be effective for accounting periods commencing on or after 1 January 2019 and provides for robust and dissuasive sanctions for failure to meet the substance tests.

Tax Court of Canada revisits principles of 'arm's length' and 'sham' in Cameco

The dispute arose in the reassessment of Cameco Corporation in 2003, 2005 and 2006 taxation years from adjustments made in the transfer prices used in the purchase and sale of uranium contracts involving Cameco, CESA (a Swiss branch of Cameco's Luxembourg subsidiary), CEL (Cameco's Swiss subsidiary) and Cameco US. The Canadian Revenue authority alleged that CESA/ CEL performed few if any valuable function during the relevant years and accordingly sought to attribute most of the profits to Cameco. They asserted that these functions were performed by Cameco on its own account and considered CESA/ CEL as limited-risk entities. They applied the transactional net margin method treating CESA and CEL as tested party, a company-wide test that in effect treats all the transactions as a single series. The Tax Court proceeded on the basis that there were 'the transactions' and a 'series' of transactions in the structure. The question identified for decision with respect to 'the transaction' was whether they reflected ALP; with respect to 'Series' the question was whether arm's length parties in similar circumstances would have attributed value to the business opportunities assigned by Cameco to CESA/ CEL at no cost. The court found that they did not form part of a single series that may be tested together. They rejected the Revenue's contention by taking the line that activities performed under a properly defined agreement that was outsourced at arm's length cannot be used to reallocate risks and returns under a TP analysis. The reassessments were spurred on arguments that Cameco's structure – specifically a reorganisation that took place in 1999 was a sham. The court noted the well-established definition of 'sham' as acts done or documents executed by parties that are intended to give the appearance of creating legal rights and obligations that differ from actual rights and obligations the parties intended to create. Testing the facts of the case against the aforesaid definition the court decided that the Cameco transaction was not 'sham'. Decision of the Tax Court on both counts have been appealed to the higher court.

Place of Effective Management – Mauritius Revenue Authority clarifies[7]

If a company is incorporated in a certain country it is generally tax resident of that country; so we are accustomed to think. Don't be so certain, says the Mauritius Revenue Authority ('MRA'). The MRA has brought out a Statement of Practice on 28 November 2018 providing that a company incorporated in Mauritius shall still be treated as a non-resident if its place of effective management is situated outside Mauritius.

The place of effective management will generally be in Mauritius, the statement of practice clarifies, if;

- The strategic decisions relating to the company's core income generating activities are taken in or from Mauritius, and
- Either of the following conditions is met, namely;

(i) Majority of Board of Directors meetings is held in Mauritius, or
(ii) Executive management of the company is regularly exercised in Mauritius.

In determining place of effective management however all relevant facts and circumstances relating to the business activities of the company have to be considered. Such consideration will include how information and communication technology are used in the decision making process.

[7] *http://www.mra.mu/download/POEM.pdf*

IFA CONFERENCES EVENTS

BY
ISHA SEKHRI
AMEYA KHARE

IFA INDIA BRANCH

FORTHCOMING EVENTS:

DATE: **09-August-2019 – 10-August-2019**
PLACE: **Bangalore, India**
CONFERENCE: Digital Taxation, organised jointly with International Tax Research Analysis Foundation.

DATE: **26-April-2019 – 27-April-2019**
PLACE: **New Delhi, India**
CONFERENCE: International Tax Conference 2019.
WEBSITE: *http://www.ifaindia.in/downloads/Programme_International_Tax_Conference_April_26_%2027_2019_at_new_delhi.pdf*
E-MAIL: shelly.wadhwa@ifaindiaacademy.in, info@ifaindiaacademy.in

EARLIER HELD EVENTS:

DATE: **15-Dec-2018**
PLACE: **IFA India Academy, Noida, India**
EVENT: Beneficial Ownership, Business Restructuring & Other important TP Concepts.

DATE: **17-Nov-2018**

PLACE: **IFA India Academy, Noida, India**
EVENT: "Common Taxation Errors in Cross-Border Transactions" and "Transfer Pricing for SMEs".

DATE: **03-Nov-2018**
PLACE: **CA Study Circle Premises, Chennai, India**
EVENT: "Taxation under Ind AS regime"

DATE: **01-Nov-2018**
PLACE: **India**
EVENT: Webinar "Master file & Country by Country Reporting (CbCR) Compliance".

DATE: **16-Oct-2018**
PLACE: **Deccan Plaza, Chennai, India**
EVENT: "Advance Pricing Agreement" & "Interplay between GST & TP".

SECTION 3

DATE: **05-Oct-2018 - 07-Oct-2018**
PLACE: **Hotel Taj Swarna, Amritsar, India**
CONFERENCE: Contemporary Topics on International Taxation & Transfer Pricing.

DATE: **22-Sep-2018**
PLACE: **CA Study Circle Premises, Chennai, India**
EVENT: "Cross Border Structuring"

DATE: **20-Sep-2018**
PLACE: **India**
EVENT: Webinar on "Practical issues in application of Section 94B".

IFA WORLDWIDE

FORTHCOMING EVENTS:

DATE: **18-Nov-2019**
PLACE: **Vienna, Austria**
EVENT: Seminar on "Recent Developments in State Aid".
WEBSITE: *www.ifa-austria.at*

DATE: **08-Sep-2019 – 12-Sep-2019**
PLACE: **London, United Kingdom**
CONFERENCE: IFA 2019 Annual Congress.
WEBSITE: *www.ifa2019london.com*
E-MAIL: ifa2019@mci-group.com, ifa2019.reghot@mci-group.com, Ifa2019industry@mci-group.com

DATE: **07-Oct-2019**
PLACE: **Vienna, Austria**
EVENT: Seminar on "Dispute Resolution"
WEBSITE: *www.ifa-austria.at*

DATE: **17-June-2019 – 19-June-2019**
PLACE: **Melbourne, Australia**
EVENT: 5th Asia Pacific Regional Meeting.

DATE: **17-June-2019**
PLACE: **Vienna, Austria**
EVENT: Viennese Symposium on International Tax Law: "Tax Treaties and Procedural Law".
WEBSITE: *www.ifa-austria.at*

DATE: **22-May-2019 – 24-May-2019**
PLACE: **Warsaw, Poland**
CONFERENCE: 1st European Region Conference.
WEBSITE: *www.ifa2019warsaw.com*
E-MAIL: ifa2019warsaw@bcocongresos.com

DATE: **22-May-2019 – 24-May-2019**
PLACE: **Panama**
EVENT: 11th Latin American Regional Meeting.

DATE: **14-May-2019 – 15-May-2019**
PLACE: **Montreal, Canada**
CONFERENCE: IFA Canada Annual Conference 2019.
WEBSITE: *www.ifacanada.org*

DATE: **29-Apr-2019**
PLACE: **Vienna, Austria**
EVENT: Wolfgang Gassner Memorial LECTURE: "The future of Transfer Pricing".
WEBSITE: *www.ifa-austria.at*

DATE: **01-Apr-2019 – 06-Apr-2019**
PLACE: **Moscow, Russia**
EVENT: Russian International Taxation Week.
WEBSITE: *www.ifataxweek.ru/en*
E-MAIL: info@ifataxweek.ru, reception@concordgroup.ru

DATE: **21-March-2019**
PLACE: **Vienna, Austria**
EVENT: IFA Austria Annual General meeting and presentation

of the National Reports 2019
WEBSITE: *www.ifa-austria.at*

DATE: **21-March-2019**
PLACE: **Vienna, Austria**
EVENT: Seminar "Tax Reform 2020 - International aspects"
WEBSITE: *www.ifa-austria.at*

DATE: **11-February-2019 – 15-February-2019**
PLACE: **Vancouver, Calgary,** Toronto, Montreal, Canada
EVENT: IFA Canada Lectureship series
WEBSITE: *www.ifacanada.org*
E-MAIL: ifacanada@ctf.ca

DATE: **14-Jan-2019**
PLACE: **Vienna, Austria**
CONFERENCE: Seminar "Combating VAT fraud: reverse charge, one-stop-shop, blockchain – How to make the VAT fit for the future?"
WEBSITE: *www.ifa-austria.at*

DATE: **10-Jan-2019**
PLACE: **Singapore**
EVENTS: International Tax Dialogues: Investment in Myanmar and the Impact of the Belt Road Initiative.
WEBSITE: *www.ifasingapore.org*

EARLIER HELD EVENTS:

DATE: **13-Dec-2018**
PLACE: **Lisbon, Portugal**
EVENT: Seminar "The EU anti-avoidance measures".
WEBSITE: *www.afp.pt*

DATE: **05-Dec-2018**
PLACE: **Jakarta, Indonesia**
EVENT: IFA Indonesia International Tax Seminar.
E-MAIL: ifa.Indonesia.chapter@gmail.com

DATE: **30-Nov-2018**
PLACE: **Kiev, Ukraine**
EVENT: Tax Digital Forum.

DATE: **29-Nov-2018**
PLACE: **Lisbon, Portugal**
EVENT: Seminar "The Trump 2017 Tax Legislation, and the Portugal-US Income Tax Treaty".
WEBSITE: *www.afp.pt*

DATE: **22-Nov-2018**
PLACE: **Singapore**
EVENT: International Tax Dialogues: Hong Kong and Singapore: Tax Rivals?
WEBSITE: *www.ifasingapore.org*

DATE: **22-Nov-2018**
PLACE: **Lisbon, Portugal**
EVENT: Seminar "Tax impact of the termination of employment".
WEBSITE: *www.afp.pt*

DATE: **22-Nov-2018**
PLACE: **Porto, Portugal**
EVENT: Seminar "Personal income taxation in Portugal: trending issues".
WEBSITE: *www.afp.pt*

DATE: **21-Nov-2018 – 22-Nov-2018**
PLACE: **Bogotá, Colombia**
CONFERENCE: IFA Colombia Conference on International Taxation.
WEBSITE: *mercadeouys.legis.com.co/legis/co/diseno/ifa/evento*
E-MAIL: mailtoifacol.comunicaciones@gmail.com

DATE: **08-Nov-2018 – 09-Nov-2018**
PLACE: **Sofia, Bulgaria**
CONFERENCE: Conference "The Future of VAT. Digital Economy".
WEBSITE: *www.ifa-conference.com*

DATE: **05-Nov-2018**
PLACE: **Vienna, Austria**
EVENT: Seminar "Implementation of the Anti-Tax Avoidance Directive (ATAD)".
WEBSITE: *www.ifa-austria.at*

DATE: **31-Oct-2018**
PLACE: **Buenos Aires, Argentina**
CONFERENCE: IFA Colombia Conference on International Taxation.
WEBSITE: *www.aaef.org.ar*

DATE: **25-Oct-2018**
PLACE: **Lisbon, Portugal**
EVENT: Seminar "An overview of last decade at the Portuguese Supreme Administrative Court".
WEBSITE: *www.afp.pt*

DATE: **23-Oct-2018**
PLACE: **Singapore**
EVENT: International Tax Dialogues: Singapore Funds, an overview and key structuring Considerations.
WEBSITE: *www.ifasingapore.org*

DATE: **18-Oct-2018**
PLACE: **Bogotá, Colombia**
EVENT: Seminar "Taxation of Lawyers".
WEBSITE: *www.afp.pt*

DATE: **16-Oct-2018**
PLACE: **Prague, Czech Republic**
CONFERENCE: 1st International IFA Czech Branch Conference on Transfer pricing.
WEBSITE: *www.kdpcr.cz/ifa2018*
E-MAIL: vanatkova@kdpcr.cz, selesovsky@kdpcr.cz

DATE: **08-Oct-2018**
PLACE: **Vienna, Austria**
EVENT: Seminar "Common (Consolidated) Corporate Tax Base (C(C)CTB)".
WEBSITE: *www.ifa-austria.at*

DATE: **06-Oct-2018**
PLACE: **Coimbra, Portugal**
EVENT: Seminar "A Tax System for the 21st Century".
WEBSITE: *www.afp.pt*
E-MAIL: afp@afp.pt

DATE: **27-Sep-2018 – 28-Sep-2018**
PLACE: **Belgrade, Serbia**
CONFERENCE: IFA Central and Eastern Europe Tax Conference.
WEBSITE: *www.sfd-ifa.rs*
E-MAIL: skostic@ius.bg.ac.rs

DATE: **27-Sep-2018**
PLACE: **Singapore**
EVENT: International Tax Dialogues.
WEBSITE: *www.ifasingapore.org*
E-MAIL: maricar.galler@iyerpractice.com

DATE: **27-Sep-2018**
PLACE: **Schaan, Liechtenstein**
EVENT: Symposium on "Refund and anti-abuse of withholding tax".
WEBSITE: *www.ifa-fl.li*
E-MAIL: sekretariat@ifa-fl.li, praesidium@ifa-fl.li

DATE: **21-Sep-2018**
PLACE: **Istanbul, Turkey**
EVENT: Seminar "Investment Funds in Turkey".
WEBSITE: *www.ifaturkey.org.tr*
E-MAIL: byalti@ku.edu.tr

International Tax Conference 2019

International Fiscal Association

New Delhi – India

April 26 & 27, 2019

www.ifaindia.in

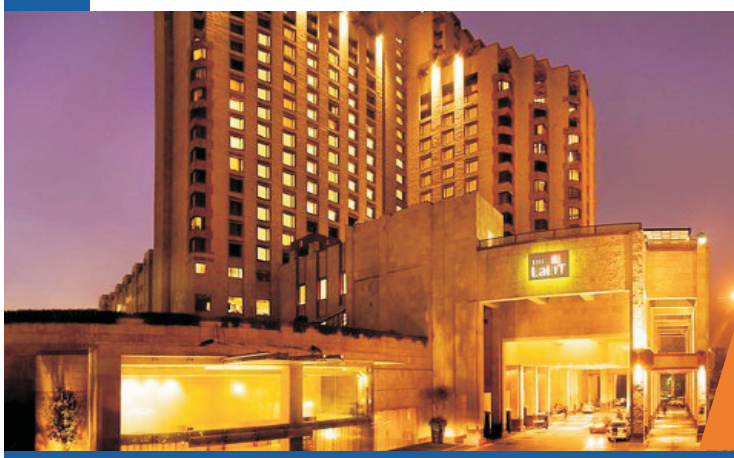
IFA India will be holding two-day International Tax Conference titled **"Emerging International Taxation Landscape"** in New Delhi on April 26 & 27, 2019. This conference will feature leading international and regional tax experts and representatives from tax authorities and judiciary, across the globe.

Several topical issues relating to tax reforms and the new Direct tax code, impact of BEPS on digital economy, Multilateral Instrument (MLI) - implementation challenges, GAAR / POEM - experiences and perspective and other Significant Recent Developments in International taxation, shall be discussed at the Conference.

The Conference would provide an excellent opportunity for exchange of views and knowledge sharing in the area of international tax policy, administration and jurisprudence with well-knownIndian and International Tax Practitioners and Government officials.

Conference Programme

- Tax Reform Agenda as the new Code
- Digital Economy - the emerging permanent establishment and attribution issues
- Transfer Pricing - supply chain to value chain
- GAAR / POEM - experiences and perspective
- Multilateral Instrument (MLI) - implementation challenges
- Significant Recent Developments in International taxation (Intl. & Domestic)
- Principal Purpose Test (PPT) - the new form over substance test
- Tax Risk Management - the Taxpayers and Tax practitioners perspective
- Taxpayers rights and obligation



Conference Venue: 'Crystal Ball Room', The Lalit New Delhi

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Details Overleaf

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Registration Details:

A. The registration fee is as under:

[1] Early bird rates upto 15th February, 2019:

Category	Indian Participant (INR)	Foreign Participant (USD)
IFA member	10,500	160
Non-IFA member	12,500	190
YIN IFA member/ Govt. Officials	8,500	130

[2] Rates from 16th February, 2019:

Category	Indian Participant (INR)	Foreign Participant (USD)
IFA member	11,500	175
Non-IFA member	13,500	200
YIN IFA member/ Govt. Officials	9,500	150

Fees are inclusive of GST @ 18%

B. There are two ways in which you can register your name for the same.

[1] Online:

You can visit the IFA - India site through the link provided below; fill in your details, make the payment of participation fee online to register your name.

http://www.ifaindia.in/new_conference_registration.aspx

[2] Enrolling by making a payment through cheque:

Alternatively, you can send us the payment through cheque or demand draft/pay order along with your details.

Please find below our bank details.

Beneficiary Name	International Fiscal Association - India Branch
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Bank Address	N-10-11, Sector-18, Noida-201301
Type of Account	SAVING ACCOUNT-TASC Regular
Account No.	100003603083
IFSC	INDB0000036
MICR No.	110234006

Kindly let us know when you send us the payment so that we can keep a track of the same from our end as well.

C. Your stay in Delhi:

Further, regarding your stay, we have negotiated concessional rate (of INR 6000 plus taxes, per night, inclusive of breakfast) for stay at the conference venue, Hotel 'The Lalit'. If you choose to stay at the hotel, kindly let us know and we shall co-ordinate the reservation.

For obtaining an invoice for the payment you make towards the conference registration fee; we would request you to mail us the following detail.

Name of the Participant	
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D. Sponsorships:

The annual conference encourages participation and support of corporates and professional services firms.

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In addition, we would encourage your support for hosting lunch, conference bags & stationery etc. We shall be sending details of benefits to supporting Organizations in due course.

NEWSLETTER

IFA / INDIA BRANCH

IFA-INDIA

International Fiscal Association - India (IFA-India) is a society registered in Delhi (India) under the Societies Registration Act, 1860. It operates in India through its Head Office in the National Capital Region (NCR) and four regional chapters in North, South, East and West. IFA-India is governed by an exectutive committee which presently has 26 members with 6 elected office bearers out of that. IFA-India is engaged in promoting better understanding on the subject of international tax and the related fiscal laws. It organises conferences, seminars, workshops, training courses and encourages discussions and conversations through various other modes like webinars and social media. The membership includes tax administrators, tax policy experts, tax court judges, and tax professionals from corporates and from consultancy. It has set up an international tax Academy at Noida where regular learning and knowledge sharing programs are held on the theme subject.

IFA

IFA-India is a part of International Fiscal Association headquartered in the Netherlands (IFA). Established in the year 1938 as a non-profit organisation, IFA provides a neutral and independent platform where representatives of all professions and interests can meet and discuss international tax issues at the highest level. IFA has played an essential role in both, the development of certain principles of international taxation and in providing possible solutions to problems arising in their practical implementation. Its objects are the study and advancement of international and comparative law in regard to public finance, specifically international and comparative fiscal law and the financial and economic aspects of taxation. IFA seeks to achieve these objects through its Annual Congresses and the scientific publications relating thereto as well as through scientific research. Although the operations of IFA are essentially scientific in character, the subjects selected take account of current fiscal developments and changes in local legislation.

The membership of IFA now stands at more than 12,000 from 106 countries. In 62 countries, including India, IFA members have established IFA branches and IFA-India is one of those 62 branches world over. IFA-India has also taken initiatives to encourage young IFA members and Women IFA members to participate in its initiatives through YIN (Young IFA Network) and WIN (Women IFA Network).

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