

***IMF – JAPAN HIGH LEVEL TAX CONFERENCE FOR ASIAN
AND PACIFIC COUNTRIES***

***INTERNATIONAL TAXATION - CHALLENGES
AND POLICY OPTIONS FOR EMERGING AND
DEVELOPING COUNTRIES***

December 31, 2012

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- **International Taxation – some issues**
- *Increased globalization and capital flows – Foreign Direct Investment (FDI) and portfolio investments*
- *Multi National Corporations (MNCs) and High Net-worth Individuals (HNIs) - Capital mobility and fiscal residence*
- *Companies with operations across countries made through associated enterprises*

• **International Taxation – some issues**

- *Source based taxation – withholding on payments made to non-residents – royalty and fees for technical services-*
 - ✓ *Live telecast of an event held abroad*
 - ✓ *Use of satellite transponder facilities*
 - ✓ *Interconnect charges paid to foreign telecom operators*
 - ✓ *Software – Whether sale of copyrighted article or license for use of copyright*



- **International Taxation – some issues**

- *Taxation of income from portfolio investments made by non-residents*
- *Taxation of indirect transfers – shares transferred abroad between non-residents but underlying asset is in the country*
- *Transfer pricing issues - intangibles*
- *Structured operations through tax havens and banking secrecy*
- *Trade mispricing*



- **International Taxation – some issues**

- *Global concerns*

- ✓ *“International capital” not paying taxes on gains from foreign capital investment - double non-taxation*
- ✓ *Tax havens and territorial taxation*



Thank You

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