1 October 2013
Taxand

OECD
OECD Committee of Fiscal Affairs
TransferPricing@oecd.org

FAO OECD Committee of Fiscal Affairs,

RE: Taxand Responds to the OECD Revised Discussion Draft on Transfer Pricing Aspects of Intangibles

Taxand is honoured to provide combined feedback from around the world on the Revised Discussion Draft on Transfer Pricing Aspects of Intangibles. We recognise that the OECD expects to receive a large number of responses, and may have between 1000 and 2000 pages of comments to digest. Accordingly, we have focused our comments on the issues that we consider to be the most important, and we have not raised minor semantic matters.

Taxand holds the work of the OECD on the revisions to Chapter 6 in very high regard. Our response will invariably focus on the areas where we suggest changes or improvements. Before reviewing our comments, which may appear somewhat critical in nature, we consider it important to note that we believe that excellent progress has been made. We look forward also to the public consultation at the OECD Conference Centre in Paris on 12-13 November 2013.

We have selected the following ten issues to comment on in our response:

- Comments in Example 2 of the proposed amendments to Chapters 1 to 3 on guarantees and passive association (not strictly a Chapter 6 issue, but it is in the Draft, and therefore merits comment)
- The differentiation between intangibles and “unique and valuable” intangibles, and the transfer pricing implications of this differentiation
- The interaction between the characterisation of a marketing affiliate and the role of marketing intangibles in the business
- Determining whether a cross-border provision of an intangible has taken place, with particular focus on example 20
- The requirement to consider Options Realistically Available and the problems raised by Example 24
- Entitlement to intangible related returns: key issues raised by Examples 13 and 14
- The status of valuation methods in the approved OECD methods – issues raised by Paragraphs 163, 180 and Chapter 2
- The guidance on the selection of valuation methods for both the transfer and use of intangibles

- Valuation problems raised by the need to consider both the buyer's perspective and the seller's perspective, considering their unique tax attributes, as outlined in Paragraphs 175, 196 and Example 24
- The relevance of goodwill and a purchase price premium in allocating value to specific intangibles, as raised in Examples 16, 18 and 21

In the following sections we present a brief summary of the relevant text in the Revised Draft, we express our concerns regarding the text, and offer our suggested remedy to the concerns.

More information about Taxand is provided as Appendix I. Taxand is wholly committed to supporting the OECD Committee of Fiscal Affairs and we look forward to contributing to further debate.

Please do not hesitate to get in touch with me directly via the contact details below.

Yours sincerely,
Stephen Labrum
Taxand

CONTACT DETAILS
Stephen Labrum
T. **+44 02076630443**
E. slabrum@alvarezandmarsal.com

Taxand

Taxand responds to the OECD Revised Discussion Draft on Transfer Pricing Aspects of Intangibles

1. Comments in Example 2 of the proposed amendments to Chapters 1 to 3 on guarantees and passive association

Summary of the relevant text

Example 2, building on facts presented in Example 1, discusses a classic example of the pricing of implicit guarantees issue that has been one of the most problematic transfer pricing issues for years. A parent with an Aaa rating has a subsidiary with a stand-alone rating of Baa. Lenders are willing to price loans to the subsidiary based on an A rating without any formal guarantee. The parent provides a guarantee to the lender, thereby inducing the lender to offer Aaa terms to the subsidiary. Example 2 states that the pricing of the guarantee fee paid by the subsidiary to the parent should be based only on the differential between the A and Aaa ratings, as the enhancement from Baa to A should bear no charge as this is seen as a benefit from group synergy or mere association.

Concerns

In most instances where this analysis will be relevant, the reason a lender is willing to lend to the subsidiary at a more favourable rate is that the lender is willing to assume that the parent, while not legally obligated to support the subsidiary, would consider it commercially advisable to intervene if the subsidiary ran into trouble. This implicit support has an economic cost to the parent as it represents an implicit contingent liability, even if nothing explicit is in place.

More importantly, if a third party were to provide a formal guarantee to the subsidiary it would relieve the parent of its implicit contingent liability, thereby providing value to the parent. The third party would certainly price the guarantee on the basis of the spread between Baa and Aaa as it would have no way to benefit from the inferred willingness of the parent to step in without the guarantee, because the new guarantor would become the first line of support.

This issue presents a transfer pricing paradox, which has contributed to the on-going difficulty that tax authorities and multinationals have experienced in resolving the matter. It is well accepted that there should be no compensation for implicit support, even though there is clearly an economic cost to the deemed provider of the implicit support. When implicit support is replaced by formal support, the guidance is equally clear in suggesting that payment is required.

The problem may be illustrated by considering a hypothetical change to the above-quoted example in which a second subsidiary with an A rating provides a formal guarantee to the first subsidiary. From the perspective of the first subsidiary, it is no better off than it was under the implicit guarantee scenario, as it will still receive loans with an interest rate based on an A rating. The second subsidiary would be expected to charge a guarantee fee for providing the guarantee. Under an arm's length evaluation, the true beneficiary of the formal guarantee in this example is the parent, as it would be relieved of its implicit economic burden. Any suggestion that the parent should pay for this, however, is not likely to be seen as an appropriate arm's length result. Subsequently, the most sensible approach would be for the recipient of the formal guarantee to pay the guarantor. This point shows that there is a logical problem with the assertion that the arm's length price for a formal guarantee should cover only the incremental benefit over and above the deemed implicit guarantee benefit.

Suggested remedies

As suggested by the discussion above, this issue is significant and highly complex. Taxand does not believe that the discussion on intangibles is the right forum to resolve the matter, and therefore we recommend that Examples 1 and 2 are deleted from the proposed amendments to Chapters 1 to 3.

2. The differentiation between intangibles and 'unique and valuable' intangibles, and the transfer pricing implications of this differentiation

Summary of the relevant text

Paragraph 51 defines 'unique and valuable' intangibles as "those intangibles that are not comparable to intangibles used by or available to parties to potentially comparable transactions" and further defines them as those assets "whose use in business operations… is expected to yield greater future economic benefits than would be expected in the absence of the intangibles."

In contrast, Paragraph 40 defines a 'normal' intangible as an asset "whose use or transfer would be compensated had it occurred in a transaction between independent parties…"

Concerns

The application of the concept of 'unique and valuable' intangibles is limited to the comparability analysis described in Paragraphs 212 and 213, which require companies to consider whether the pricing of potential comparable transactions reflects the benefits of intangibles owned by the companies in question. In such cases, the indicated prices will reflect the arm's length price of the tested transactions without the need to separately consider the intangibles used by the tested party.

While this is a helpful way to discuss the comparability analysis, it comes at the price of some confusion regarding the distinction between normal and 'unique and valuable' intangibles as indicated by the close similarity of the definitions cited above. Taxand is concerned that the guidance may be interpreted to mean that compensation for the use or transfer of 'normal' intangibles is not required.

Suggested remedies

Taxand does not believe that the concept of 'unique and valuable' intangibles is helpful. We therefore recommend that the references in Paragraphs 51, 212 and 213 should be deleted and the discussion of comparability analysis edited to note the fact that potential comparables may already have embedded intangibles, and this must be considered in the comparability analysis.

3. The interaction between the characterisation of a marketing affiliate and the role of marketing intangibles in the business

Summary of the relevant text

The framework in the Revised Draft Chapter 6 has introduced the concept of entitlement to intangible related returns as the most important focus, while relegating legal or economic ownership to the status of factors that should be considered. These principles are explained very clearly in Paragraphs 65 to 73 and are illustrated by Examples 1 to 3.

The application of these principles to marketing intangibles is discussed extensively in Paragraphs 94 to 103 and is further illustrated by Examples 5 to 9.

Concerns

Examples 5 to 9 very effectively present the transfer pricing guidance that applies as the characterisation of the marketing affiliate evolves. The one question that seems to remain unanswered throughout the guidance mentioned above, is at what point does the marketing affiliate, through its contribution to the development, enhancement, maintenance and protection of the marketing intangibles, achieve the economic equivalent of partial ownership of the intangibles, or ownership of the local rights to the marketing intangibles. This will be important, not just to determine the relative rights to intangible related returns in an on-going business scenario, but also the rights to consideration in the event of a sale, restructuring, or cost contribution arrangement.

Suggested remedies

Taxand suggests that language should be added to Paragraphs 94 to 103, and also to Examples 7 and 8, discussing the extent to which the contributions made by the distributors has reached the point at which they have an on-going right to participate in value and profits. This presents a further challenge to define a concept of economic ownership consistent with the definition provided in Paragraph 89, ie on-going rights that result from having performed development, enhancement, maintenance and protection functions in the past. This needs to be defined in a way that is clearly distinct from the existing concept of economic ownership based on funding the development of the asset.

4. Determining whether a cross-border provision of an intangible has taken place, with particular focus on Example 20

Summary of the relevant text

Paragraphs 122 and 124 discuss cases in which intangibles are used in connection with the sales of goods or the performance of services but in which no actual transfer of the intangibles takes place. The guidance suggests that in such cases the intangibles should be identified and addressed by means of a comparability adjustment applied in the implementation of the selected transfer pricing method.

Example 20, which contrasts the facts and guidance in Example 19, presents a situation in which a parent, Prathamika, provides a service to an affiliate S through two employees who make significant use of a technical intangible in performing their work. The guidance in the example is that since S has not received any right to use the intangible or to provide it to its customers, there is no intangible provision and the transfer pricing methodology should focus on making a comparability adjustment to the service provision pricing rather than compensate the provision of the intangible separately.

Concerns

It is striking that these examples apply the test that if no right is transferred, then there should be no recognition of the provision of the intangible. The facts of the case suggest that there was a clear understanding between the parties that the transaction would involve the work of the two individuals and the use (by the individuals) of the intangible for the benefit of the recipient.

Suggested remedies

As the transaction in substance amounts to the use of the intangible, it may be more practical to characterise the arrangement as both a service and the provision of the intangible through its use by the individuals. We suggest that the language is reworded to permit this characterisation if it facilitates a more precise transfer pricing analysis.

5. The requirement to consider Options Realistically Available and the problems raised by Example 24

Summary of the relevant text

Section D.1 (Paragraphs 128-132) provides guidance around the considerations that should be applied when evaluating whether a transaction meets the 'options realistically available' standard. While the guidance is clear in its advice that one option that should be considered is not doing the transaction at all, as noted in Paragraph 131, the guidance in this section falls short of providing the boundaries expressed in Paragraph 9.64, which states that “the notion of options realistically available is not intended to create a requirement for taxpayers to document all possible hypothetical options realistically available.”

Example 24 presents the case of a manufacturer considering moving production to a low cost country. While the transfer of the production is shown through a DCF analysis to be superior to the status quo, it is inferior to a third alternative which is to outsource to a contract manufacturer, subject to the supposition that in the negotiations with the contract manufacturer, the principal would be able to capture the location savings.

Concerns

This example raises some very troubling concerns. First, it does not seem to provide the 9.64 protection against the requirement to consider all hypothetical options (and the one in the example is a little extreme, given that the scenario makes assumptions about the allocation of location savings). Second, it leaves open the potential challenge that the status quo is an inferior option to some contemplated alternative, suggesting that ‘business as usual’ may be challenged and third, it implies a heavy hand in terms of tax principles dictating to management how it should manage its business. (See further comments below on the troublesome implications of this point for the BEPS initiative.)

Suggested remedies

Taxand suggests that the language quoted above from Paragraph 9.64 is incorporated into Chapter 6, and that further clarification is provided as to the options that must be evaluated. We further suggest that Example 24 should be amended to remove the requirement to consider the contract manufacturing arrangement.

6. Entitlement to intangible related returns: key issues raised by Examples 13 and 14

Summary of the relevant text

Examples 13 and 14 both describe situations in which a company that has partially developed intangibles transfers them to a related party which will own them, fund further development and bear the financial risk related to the ongoing development. The entity to which the intangibles are transferred will outsource the development, enhancement, maintenance and protection functions to related companies. In both examples, the guidance is that profit splits, valuation techniques or other methods may be needed to establish the appropriate transfer pricing.

These examples address the issues discussed in Paragraphs 76 to 80 on the potential for companies that own intangibles to outsource the development, enhancement, maintenance and protection functions. The guidance in Paragraph 76 states that “A member of an MNE group that is the legal owner of intangibles could retain associated enterprises to perform functions related to the development, enhancement, maintenance and protection of intangibles. In such cases the party performing the outsourcing functions should operate under the control of the legal owner.” Paragraph 76 states further that the assessment of whether the legal owner performs the control functions should be tested by applying principles analogous to Paragraphs 9.23 to 9.28.

Following this reference, Paragraph 9.26 states the following with regard to a related contract researcher (particularly relevant language is highlighted):

> “As another example, assume that a principal hires a contract researcher to perform research on its behalf. Assume the arrangement between the parties is that the principal bears the risk of failure of the research and will be the owner of the outcome of the research in case of success, while the contract researcher is allocated a guaranteed remuneration irrespective of whether the research is a success or a failure, and no right to ownership on the outcome of the research. Although the day-to-day research would be carried on by the scientific personnel of the contract researcher, the principal would be expected to make a **number of relevant decisions** in order to control its risk, such as: the **decision to hire (or terminate the contract with) that particular contract researcher, the decision of the type of research that should be carried out and objectives assigned to it, and the decision of the budget allocated to the contract researcher**. Moreover, the contract researcher would generally be required to report back to the principal on a regular basis, e.g. at predetermined milestones. **The principal would be expected to be able to assess the outcome of the research activities**.”

This guidance on control in Paragraph 9.26 is quite different to the guidance in Paragraph 80 of Chapter 6, which states that an entity looking to retain the return on intangibles it legally owns “will generally perform through its own employees, the more important functions related to the development, maintenance, enhancement and protection of the intangible.” The paragraph states further that “where the legal owner outsources most or all of such important functions to other group members, the entitlement of the legal owner to retain any material portion of the return…is highly doubtful.”

Concerns

The guidance on the potential to outsource relevant functions will be extremely important to multinationals and is likely to be one of most contentious issues going forward. As noted above, there is some inconsistency between the guidance in 9.26 and 6.80 which it would be important to resolve. The standard in 9.26 seems to be less restrictive that 6.80, so if the standards in 9.26 are not available in this case, this needs to be stated very explicitly. Furthermore, it would be helpful if the examples contributed to the clarity of this point.

Suggested remedies

It would be particularly helpful if there were closer alignment between the guidance in Paragraphs 9.26 and 6.80, particularly with respect to the control of contract research and development, and that these principles were more clearly illustrated in Examples 13 and 14. It might be more helpful if one of the examples illustrated an outsourcing that materially meets the standards of 9.26 and 6.80, and the other shows an example when the outsourcing falls short of the standard, resulting in the legal owner failing to retain a material portion of the intangible-related return.

7. The status of valuation methods in the approved OECD methods – issues raised by Paragraphs 163, 180 and Chapter 2

Summary of the relevant text

Paragraph 180 states that "application of such a valuation technique, either as part of one of the five OECD approved transfer pricing methods or as a useful tool, may prove to be more reliable than application of any other transfer pricing method, particularly where reliable comparable uncontrolled transactions do not exist."

In contrast, Paragraph 163 states that "the transfer pricing methods most likely to prove useful in matters involving transfers of one or more intangibles are the CUP method and the transactional profit split method."

Section C of Chapter 2 (which describes the transfer pricing methods) makes no mention of the valuation methods described in Chapter 6.

Concerns

Multinationals intending to follow the updated guidance in Chapter 6 will want greater assurance that the use of valuation methods will be accepted than is provided in the usage guidance quoted above.

Suggested remedies

A clear decision on how valuation methods fit into the five approved OECD methods would be helpful. Once the decision is made, corresponding changes to Section C of Chapter 2 are recommended, as is greater clarity and consistency in Paragraphs 163 and 180.

The viable alternatives to consider are:

- Addition of a sixth transfer pricing method to Chapter 2

- Construing the valuation methods as a form of one of the other methods (probably the profit split method)

We believe that any attempts to construe valuation methods as part of one of the existing methods will be cumbersome. Given the importance of the valuation methods and the need for helpful guidance regarding their application, we suggest that a sixth method should be formally recognised in Chapter 2.

8. The guidance on the selection of valuation methods

Summary of the relevant text

Paragraph 174 states that "it is not the intention of these Guidelines to set out a comprehensive summary of the valuation techniques utilised by valuation professionals." Paragraph 160 expresses some doubt about the usefulness of the cost approach, while Paragraph 163 expresses a preference for the CUP and the transactional profit split method.

Concerns

We respectfully submit that the impact of the revisions to Chapter 6 will be to make valuation methods central to the field of transfer pricing, and therefore the Guidelines cannot sidestep the responsibility to provide guidance in the way that Paragraph 174 does as present.

Suggested remedies

We therefore suggest that the guidelines import some of the method definitions from the valuation profession, and some of the guidance on the application of the methods. For example, fair market value may well be a suitable standard. Valuation professionals typically are required to consider the cost, income and market approach, and to assess which method or methods provide(s) the best indicator of fair market value in the facts and circumstances of each case.

We suggest that the dismissive language on the cost method in Paragraph 160 should be removed. There are examples, such as the valuation of partially developed software, in which cost may well be a better indicator than a profit split or an income method. It should not be necessary for the Guidelines to be specific about the process of determining which method is likely to be the best in which circumstances. The Guidelines should, however, require multinationals to consider the methods and to support their determination of which method gives the best application of the arm's length standard.

9. Valuation problems raised by the need to consider both the buyer's perspective and the seller's perspective, considering their unique tax attributes as outlined in Paragraphs 175, 196 and Example 24

Summary of the relevant text

Paragraph 175 states that “the arm’s length price will fall somewhere within the range of present values evaluated from the perspectives of the transferor and the transferee” giving due consideration to “the tax effects of the transaction”.

Paragraph 196 advises that a DCF analysis should consider (i) taxes projected to be imposed on future cash flows, (ii) tax amortisation benefits available to the transferee, and (iii) taxes projected to be imposed on the transferor as a result of the transfer.

Example 24 (discussed above) states in Paragraph 318 that the objective of the analysis from the perspective of Company S should be to “give Company S a positive return on its investment considering all of the relevant facts, including the manner in which the transaction itself would be taxed.”

The primary objective of these analyses is to ensure that the price paid or received is aligned with the ‘options realistically available’ analysis.

Concerns

Guidance requiring consideration of the specific tax attributes of a buyer or seller may not be consistent with the arm’s length standard. Consider two potential sellers of a share in a publicly listed company. Buyer A bought the share for 100 and buyer B bought the share for 300. The share currently has a quoted market price of 200. The fact that buyer A would face a taxable gain and buyer B would potentially enjoy tax relief on the loss, if either were to sell, these tax attributes has no bearing on the arm’s length price, which is 200 for both potential sellers.

The market price for the share reflects what the typical market participant is willing to pay or accept, which will be influenced by the tax effects of the transaction on the typical or average market participant. Further thought is needed on the circumstances in which an analysis based on the unique tax attributes of buyers and sellers misses the mark.

There is a larger and more significant problem that arises when tax considerations are embedded in an ‘options realistically available’ analysis. The third scenario in Example 24, to outsource to a contract manufacturer is the best choice in large part because the valuation reflects the benefits of the 10% tax rate in Country Y. Taxand is concerned that multinationals will find the implications of this guidance to be confusing and contradictory to the spirit and objectives of the BEPS initiative. Paragraphs 175, 196 and Example 24 have the effect of virtually requiring companies to consider restructuring to low tax jurisdictions.

Suggested remedies

This is a very complex area. Further technical analysis is required in order to properly consider the tax issues that should be embedded in a transfer pricing analysis. As the OECD has removed much of the technical guidance on valuation techniques found in the first draft, it might be prudent and expedient to extend this approach and remove the guidance about including the tax considerations in a discounted cash flow analysis.

10. The relevance of goodwill and a purchase price premium in allocating value to specific intangibles, as raised in Examples 16, 18 and 21

Summary of the relevant text

Example 16 discusses the transfer of marketing and manufacturing assets held by Ilcha in countries C and D to two new subsidiaries in those countries. The guidance requires the consideration of the goodwill that a hypothetical third party buyer would be willing to pay for the business, and the inclusion of this goodwill amount in the valuation of the transferred intangibles.

Example 18 describes an acquisition of an independent enterprise in which the purchase price of 100 is allocated by the purchaser on the basis of 20 to identified tangible and intangible assets, and 80 to goodwill. The guidance requires that in an internal restructuring following the acquisition, the purchase price premium / goodwill must in effect be allocated to the identified assets, such that the price paid for the assets (whether transferred internally or not) must account for the full purchase price.

Example 21 considers a company Osnovni, which buys S at a premium of 60 over its trading value of 100 prior to the acquisition. Management attributes the premium to the complementary nature of the acquired products with existing group products. Following the purchase, Osnovni transfers the European and Asian rights to the acquired intangibles to a related company T. The guidance suggests that to the extent that this premium relates to the European and Asian region, a corresponding share of the acquisition premium should be attributed to the transferred rights.

Concerns

Economic explanations of why buyers pay a premium in acquisitions are complex and reflect a balance between reasons why they have to pay a premium and why they are willing to pay a premium. The reason that a buyer has to pay a premium over the price at which a share trades prior to making an offer is that the prevailing market price is the price at which a relatively small number of shareholders are willing to offer their shares, whereas the premium reflects the price required to motivate substantially all of the shareholders to tender their shares. There are many reasons why a buyer is willing to pay a premium. Some buyers may be viewed as strategic buyers who see additional value in combining the acquired business with their existing business. Others may be financial investors who see the potential to add value by making operational changes to the acquired business or who merely see the business as under-valued in its current state.

The question is which, if any, of these scenarios are relevant to the transfer pricing issues under consideration. The guidance in Example 16 that the price “should be the price that would be paid by an independent enterprise, including payment for amounts that would be treated as goodwill for accounting purposes” presents a number of significant theoretical problems. Whereas Example 21 refers to an actual acquisition scenario in which an actual premium has been paid, Example 16 relates to a purely internal restructuring, but requires that the price should contemplate a hypothetical acquisition premium.

Given the varied and complex issues discussed above about the quantum of premiums in actual transactions, it is theoretically challenging to establish which of these definitions is appropriate in a transfer pricing context. Furthermore, to actually implement such an analysis would require insight into the motivations behind the premiums paid in third party transactions that might be used as benchmarks. This guidance is simply not implementable.

Suggested remedies

Concerns over the potential under-valuation of specific assets should be addressed by additional guidance on determining the relevant cash flows to be used in the valuation analysis. If the benefits of ownership or use of the intangible are appropriately reflected in the projections, there should be no additional need to consider attributing portions of the hypothetical goodwill.

Taxand’s Take

The Revised Discussion Draft on Transfer Pricing Aspects of Intangibles reflects the excellent progress achieved by Working Party 6. Taxand believes that the additions made since the first draft, in particular the expansion of the examples section, have significantly helped to clarify the guidance. We also believe that the framework proposed for intangibles transfer pricing is fundamentally sound and provides a workable framework that multinationals and tax authorities alike can come to terms with and implement.

While we recognise and commend the progress made to date, Taxand believes there is still important work to be done in order to finalise the chapter. We have made ten specific observations in this letter, supported by remedial suggestions, which we very much hope the OECD will consider and address. While our suggestions primarily impact Chapter 6, we have raised questions that will also have an impact on Chapters 2 and 9.

If there are two points that we want to highlight in conclusion, they are:

1. The revisions to Chapter 6 will have a fundamental impact on the role of valuation analysis in the field of transfer pricing. The revised Draft actually provides less guidance rather than more in this area, in part because of the controversy that resulted from the valuation guidance in the first draft. Tax authorities, multinationals and their advisors will all need detailed and definitive guidance in this area. The OECD may view this task in the same light as Greek mythology presents the Twelve Labours of Hercules. However, just as Hercules diverted two rivers to achieve the impossible task of cleaning the Augean Stables so, we believe, the OECD will form the necessary alliance between valuation and transfer pricing professionals to produce meaningful guidance in this area. Perhaps a pragmatic solution would be to note that in the future, an appendix to Chapter 6 will be issued containing more detailed and specific guidance.

2. We believe that the complexity of the issues under discussion will lead to a difficult implementation process, fraught with the potential for controversy. Multinationals may fear that more aggressive tax authorities could see this guidance as a tool to combat perceived abuse, consistent with the BEPS initiative. In practice, collaborative consultation will be the best way forward, as multinationals, tax authorities and advisors all come to terms with these significant changes and the complex analysis that will be required. We hope the OECD will actively encourage such collaboration in its communications.

In conclusion, Taxand believes that this significant and important draft is a major step in the journey towards a common ground in the guidance on transfer pricing for intangibles. If the remaining issues are addressed reasonably, and supported by further guidance on implementing valuation analyses, multinationals and tax authorities alike will enjoy the benefits of greater consistency and clarity in this challenging area.

APPENDIX I

ABOUT TAXAND

Taxand provides high quality, integrated tax advice worldwide. Our tax professionals, more than 400 tax partners and over 2,000 tax advisors in nearly 50 countries - grasp both the fine points of tax and the broader strategic implications, helping you mitigate risk, manage your tax burden and drive the performance of your business.

We're passionate about tax. We collaborate and share knowledge, capitalising on our expertise to provide you with high quality, tailored advice that helps relieve the pressures associated with making complex tax decisions.

We're also independent—ensuring that you adhere both to best practice and to tax law and that we remain free from time-consuming audit-based conflict checks. This enables us to deliver practical advice, responsively.

Taxand has achieved worldwide market recognition. In the International Tax Review's (ITR) World Tax 2013, 43 Taxand locations were commended. 35 countries were voted top in the ITR Transaction Tax Survey 2012 and in the ITR Tax Planning Survey 2012. Taxand has received 58 national awards and 12 regional awards in the ITR European, Americas and Asia Tax Awards since 2009. These include Latin America Tax Disputes Firm of the Year, European Private Equity Tax Firm of the Year, European Indirect Tax Firm of the Year, European Tax Policy Firm of the Year, Asia Transfer Pricing Firm of the Year, and Asia Tax Policy Firm of the Year. Full details of awards can be viewed at www.taxand.com/about-us.
www.taxand.com