

Korea

Transfer Pricing Country Profile¹

January 2026

		SUMMARY	REFERENCE
The Arm's Length Principle			
1	Does your domestic transfer pricing framework ² make reference to the arm's length principle?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 2(1) 5 of the Act on Adjustment of International Taxes (" AAIT ")
2	Does your domestic transfer pricing framework give the OECD Transfer Pricing Guidelines any role or status (e.g. legal binding effect, subsidiary application in the absence of domestic legislation, source of interpretation of domestic legislation and/or treaty provisions, other)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		Korea's domestic legislation has been amended to follow the Guidelines and is mostly consistent with the OECD Transfer Pricing Guidelines	
3	Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 2(1) 3 of AAIT

¹ Information in transfer pricing country profiles is provided directly by jurisdictions. By publishing the transfer pricing country profiles on the OECD website, the OECD does not certify the accurateness of the information provided therein. Importantly, transfer pricing country profiles published on the OECD website are made available to stakeholders for information purposes only, and are not intended to be used in substitution to a jurisdiction's legal instruments, jurisprudence, or administrative guidance or practice nor relied on as an accurate and complete description of domestic law.

² For purposes of transfer pricing country profiles, the term "domestic transfer pricing framework" refers to a jurisdiction's domestic legislation, regulations, administrative guidance or practice, jurisprudence or governing general principles in the jurisdiction.

	<p>pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.</p>	<p>The term “special relationship” means any of the following relationships, for which the detailed criteria shall be prescribed by Presidential Decree:</p> <p>(a) A relationship between the parties to a transaction where either party to a transaction owns directly or indirectly at least 50% of the voting stocks (including the equity shares; hereinafter the same shall apply) of the other party;</p> <p>(b) A relationship between the parties to a transaction where a third party or a person prescribed by Presidential Decree including his or her relatives owns directly or indirectly at least 50% of voting stocks of both parties;</p> <p>(c) A relationship between the parties to a transaction where both parties have a common interest in the adjustment of income depending on the equity investment relationship, transaction relations of goods and services, monetary lending relationship, etc. and either party to the transaction has the power to substantially determine the business policy of the other party; Korea Updated February 2022</p> <p>(d) A relationship between the parties to a transaction where both parties have a common interest in the adjustment of income depending on the equity investment relationship, transaction relations of goods and services, monetary lending relationship, etc. and a third party has the power to substantially determine the business policies of both parties.</p>	<p>Article 2 of Enforcement Decree of the AAIT(“EDAAIT”)</p>												
Transfer Pricing Methods															
4	<p>Does your domestic transfer pricing framework provide for transfer pricing methods to be used in respect of transactions between related parties?</p>	<div><div><input checked="" type="checkbox"/> Yes</div><div><input type="checkbox"/> No</div></div> <div>If affirmative, please check those provided for in your legislation:</div> <table><thead><tr><th>CUP</th><th>Resale Price</th><th>Cost Plus</th><th>TNMM</th><th>Profit Split</th><th>Other (If so, please describe)</th></tr></thead><tbody><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></tbody></table> <div><p>Any of the following transfer pricing methods shall be used for service transaction with respect to an intra-group payment guarantee between a resident and a foreign related party:</p><p>1. Calculating the arm's length price based on the anticipated risks of, and expenses to be incurred by, the guarantor;</p></div>	CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (If so, please describe)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Article 8(1) of AAIT</p> <p>Article 8(1) 6 of AAIT</p> <p>Article 10 of EDAAIT</p> <p>Article 12(4) of EDAAIT</p>
CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (If so, please describe)										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										

		<p>2. Calculating the arm's length price based on the expected benefits of the principal;</p> <p>3. Calculating the arm's length price based on the expected risks of, and expenses to be incurred by, the guarantor and the expected benefits of the principal.</p>	
5	<p>Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?</p>	<p>Please check all that apply:</p> <p><input type="checkbox"/> Hierarchy of methods</p> <p><input checked="" type="checkbox"/> Most appropriate method</p> <p><input type="checkbox"/> Other (<i>if so, please explain</i>)</p> <hr/> <p>The most appropriate and reliable method should be adopted among the methods above considering all relevant factors and circumstances.</p>	Article 8(1) of AAIT
6	<p>Does your domestic transfer pricing framework contain specific guidance on commodity transactions?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed.</p> <p><input checked="" type="checkbox"/> Domestic transfer pricing framework provides for the use of a specific method for controlled transactions involving commodities (<i>if so, please explain</i>)</p> <p><input type="checkbox"/> No</p> <hr/> <p>Domestic law contains the specific guidance on commodity transactions consistent with paragraphs 2.18-2.22 of the TPG.</p>	Article 5 of EDAAIT
Comparability Analysis			
7	<p>Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <hr/> <p>Korea's domestic law is mostly consistent with Chapter III of the TPG.</p>	Article 14 and 15 of EDAAIT
8		<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	Article 14(2) of EDAAIT

	Is there a preference in your jurisdiction for domestic comparables over foreign comparables?	Regardless of whether comparables are domestic or foreign, Korea's preference is choosing the best comparables.	
9	Does your domestic transfer pricing framework permit the use of secret comparables for transfer pricing assessment purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10	Does your domestic transfer pricing framework allow or require the use of an arm's length range and/or statistical measure (e.g. the interquartile range or other percentiles) for determining arm's length remuneration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>According to Article 15(5) and (6) of EDAAIT, in computing an arm's length, the scope of arm's length prices may be computed on the basis of two or more transactions between the unrelated parties. Where the tax authority adjusts a tax assessment on a trade price deviating from the scope of arm's length price, it shall be based on the average price, median price, mode price and other rational specific prices computed in transactions within the relevant scope of arm's length price.</p>	Article 15(5), (6) of EDAAIT
11	Are comparability adjustments required under your domestic transfer pricing framework?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>According to Art.15 (4) of EDAAIT, comparability adjustments are required where there are material differences in the factors of comparability analysis.</p>	Article 15(4) of EDAAIT
Intangible Property			
12	Does your domestic transfer pricing framework contain guidance specific to the pricing of controlled transactions involving intangibles?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VI of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No <p>Articles 13 of EDAAIT provide guidance specific to the pricing of controlled transactions with foreign related parties involving intangibles.</p>	Article 13 of EDAAIT

		<p>(1) "Intangible asset" means any of the following assets (neither a tangible nor financial asset) available for business activities, which is capable of being owned or controlled by a particular person, and whose use or transfer would be properly compensated had it occurred between independent business operators: a patent right; a utility model right; a design right; a trademark right; a copyright; a service mark right, trade name, brand, know-how, trade secret, customer information or customer network; a contractual right or a concession granted by the Government; good will or going concern value.</p> <p>(2) In calculating the arm's length price for a transaction of an intangible asset between a resident and a foreign related party, the following factors shall be considered: whether appropriate compensation deemed applicable to independent business operators is paid regardless of the legal ownership of the intangible asset; the amount of additional income expected to be generated from or expense savings anticipated to result from the intangible asset; whether there is any restriction on the exercise of rights; whether it is allowed to transfer it to another person or to grant a sub-license to use it.</p> <p>(3) As a transfer pricing method for a transaction of an intangible asset between a resident and a foreign related party, either the comparable uncontrolled price method or the profit split method shall be preferentially applied.</p> <p>(4) The valuation method that shall be used must calculate the present value by discounting the projected future cash flows attributable to the exploitation of the intangible asset being valued. In such cases, the projected future cash flows, growth rate, discount rate, service life and residual value of the intangible asset, tax burden and other factors shall be collected and calculated in an objective and reasonable manner.</p>	
13	<p>Are there any other rules outside your transfer pricing framework that are relevant for the pricing of controlled transactions involving intangibles?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	

Hard-to-Value Intangibles ³			
14	Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)? ⁴	<p><input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p> <p>Article 13(5): For those intangible assets that meet the following requirements, the tax authority may assume the transaction price to be inappropriate in cases where there is significant difference, for example the difference between the initial transaction price and ex post assessed price exceeds 20 percent of the transaction price, and may recalculate the arm's length price based on actual economic outcomes incurred from the HTVI taking into account ex post economic circumstances and transactional situations;</p> <ol style="list-style-type: none"> 1. Where no reliable comparables exist at the time of the transaction. 2. Where a projection of future expected benefit from an intangible asset is highly uncertain for cases where an intangible asset is in its development stage thus requiring considerable amount of time to be commercialized or where an intangible asset is highly innovative. <p>Article 13(6): Paragraph (5) shall not apply if:</p> <ol style="list-style-type: none"> 1. The taxpayer proves that the difference between the price determined at the time of transaction and the ex post assessed price of the intangible asset is due to reasons unpredictable at the time of the transaction and that ex ante projections is based on reasonable assumptions at the time of the transaction. 2. The difference between the transaction price and ex post assessed price does not exceed 20 percent of the transaction price. 3. A method for computing the arm's length price of the intangible asset is agreed in advance through mutual agreement procedure with the competent authority of the Contracting State pursuant to Article 14(2) of the Act (AAIT). 	Article 13(5), (6) of EDAAIT
15	If your jurisdiction applies the HTVI approach, what are the conditions for	Please refer to the answer to Question 14.	Article 13(5), (6) of EDAAIT

³ Please note that questions in this section are imported from the HTVI questionnaire and integrated into this TPCP to centralise all jurisdiction-related transfer pricing information.

⁴ In the case of jurisdictions that do not apply the HTVI approach (i.e. they responded "no" to question 14), it is not necessary to respond to the remaining questions in the HTVI section and these questions will not be published as part of jurisdiction's transfer pricing country profile.

	the application of the HTVI approach?		
16	Are transactions falling within the scope of the HTVI approach subject to a transfer pricing analysis different from the one established in Chapters I and VI, or to other compliance requirements specifically applicable to transfer prices (e.g. domestic anti-abuse rules)?	No	
17	What is the statute of limitations applicable to transactions falling within the scope of the HTVI approach in your domestic transfer pricing framework? Does this statute of limitations differ from those applicable to other transactions?	The statute of limitations applicable to transactions falling within the scope of the HTVI approach is the same as that applicable to other transactions.	Article 26-2 of Framework Act on National Taxes
18	Can taxpayers request a bilateral or multilateral advance pricing agreement (“APA”) for transactions falling within the scope of the HTVI approach under your domestic transfer pricing framework?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
19	What measures exist or approaches have been adopted to avoid the use of hindsight (e.g. training of tax administrators, internal circulars/informative notes)?	Domestic legislation prevents the use of hindsight. Please refer to the answer to Question 14.	
20	Is it possible for your tax administration to make adjustments under the HTVI approach in open years amounts pertaining to closed years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
21	Does your domestic transfer pricing framework allow the tax administration to make corresponding adjustments under the HTVI	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

	approach in open years for amounts pertaining to closed years?	However, any agreement reached through mutual agreement procedure could be implemented notwithstanding domestic statute of limitations.	
22	Is it possible for your tax administration to make several adjustments for one single HTVI transaction under the HTVI approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Intra-group Services			
23	Does your domestic transfer pricing framework provide guidance specific to intra-group services transactions?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VII of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Article 12 of EDAAIT
24	Are there any other rules outside your transfer pricing framework for pricing intragroup services?	<input checked="" type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Article 12(2), (3) of EDAAIT
25	Does your domestic transfer pricing framework provide for or allow the application of a simplified approach for low value-adding intra-group services?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Financial Transactions			
26	Does your domestic transfer pricing framework provide guidance specific to financial transactions?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter X of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Article 11 and 11-2 of EDAAIT
27	Are there any other rules outside your transfer pricing framework that are relevant for the tax treatment of financial transactions? <i>(e.g. whether your jurisdiction has implemented the measures in BEPS Action 4 to limit interest deductions and other financial payments or any similar rules)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Articles 22 to 25 of AAIT provide the rules to limit interest deductions in line with BEPS Action 4.	Article 22 to 25 of AAIT
Cost Contribution Arrangements			
28	Does your jurisdiction allow cost contribution arrangements?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VIII of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No According to Article 9 of AAIT, where a resident and a foreign related party conclude an agreement on the sharing of costs, expenses, and risks in advance and thereunder jointly develop or secure an intangible asset, the tax authority may determine or rectify the tax base and tax amount of the resident based on the arm's length share of costs, if the amount of the costs, etc. allotted to the resident is less or more than the arm's length share of costs.	Article 9 of AAIT

Transfer Pricing Documentation

29	Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If affirmative, please check all that apply:</i> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG <input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG <input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG <input checked="" type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return) <input type="checkbox"/> Other (specify): 	Article 16 of AAIT Article 33 of EDAAIT
30	Please briefly explain the relevant requirements related to each transfer pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.)	Timing: A taxpayer shall submit a Master File, Local Files, and Country-by-Country Reports within 12 months from the last day of the month during which the fiscal year ends. Languages: (1) Master file may be initially submitted in English but must be submitted in Korean within one month of the submission of the English MF (2) Local file has to be submitted in Korean (3) CBCR should be submitted both in Korean and English	Article 16(1) of AAIT Article 34(3),(4) and 35(4) of EDAAIT
31	Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A taxpayer who fails to submit or falsely submits MF, LF or CBCR shall be subject to an administrative fine of KRW 30 million for each report. An administrative fine may be reduced or increased by up to half thereof, based on the severity, frequency, motive and consequences, etc. of the relevant violation, provided that, where increased, the administrative fine shall not exceed the maximum limit on administrative fine.	Article 87 of AAIT Article 144 of EDAAIT

		When a person submitting data fails to submit some of the data due to a minor mistake or makes trivial errors in certain items, the tax authority may decide not to assess the administrative fine after receiving supplementary materials.	
32	Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Domestic and foreign corporations with permanent establishments in Korea are exempted from TP documentation (MF, LF) obligations, in cases where (1) the total transaction volume is less than KRW 50 billion, or (2) net sales are less than KRW 100 billion. Ultimate Parent Entity located in Korea is exempted from TP documentation (CBCR) obligations in cases where the total consolidated revenue for the preceding fiscal year is less than KRW one trillion.	Article 34(1) and 35(1), (3) of EDAAIT
Administrative Approaches to Avoiding and Resolving Disputes			
33	Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?	Please check those that apply: <input type="checkbox"/> Rulings <input type="checkbox"/> Enhanced engagement or cooperative compliance programmes <input checked="" type="checkbox"/> Advance Pricing Agreements (APA) <input checked="" type="checkbox"/> Unilateral APAs <input checked="" type="checkbox"/> Bilateral APAs <input checked="" type="checkbox"/> Multilateral APAs <input type="checkbox"/> International Compliance Assurance Programme (ICAP) <input checked="" type="checkbox"/> Mutual Agreement Procedures <input type="checkbox"/> Other (<i>please specify</i>):	Article 6 of AAIT Article 14 of AAIT Article 26, 29 of EDAAIT Article 42 to 51-2 of AAIT

		<p>Where a resident intends to apply a specific arm's length pricing method for a specific period of taxable years, he or she may file an application for an advance pricing agreement with the Commissioner of the National Tax Service by the day before the start date of the first taxable year among the specific period of taxable years to which the arm's length pricing method is to be applied. (Article 14(1) of AAIT)</p> <p>The applicant may amend the details of his/her application for an advance pricing arrangement, or withdraw his/her application before the Commissioner of the National Tax Service approves the application. In this regard, when the application is withdrawn, the Commissioner of the National Tax Service shall return all data. (Article 26(4) of EDAAIT)</p> <p>A resident or domestic corporation or a nonresident or foreign corporation may apply for commencing a mutual agreement procedure to the relevant person specified in the following, as prescribed by Presidential Decree:</p> <ol style="list-style-type: none"> 1. Where it is necessary to consult with the other Contracting State on the application and interpretation of the tax treaty: The Minister of Economy and Finance; 2. Where such person or corporation has been or is likely to be subject to taxation by the tax authority of the other Contracting State, not complying with the provisions of the tax treaty: The Commissioner of the National Tax Service; 3. Where a tax adjustment is required under the tax treaty between the Republic of Korea and the other Contracting State: The Commissioner of the National Tax Service. (Article 42(1) of AAIT) 	
Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities			
34	Does your domestic transfer pricing framework allow the application of the simplified and streamlined approach for baseline marketing and distribution activities in the relevant Annex of Chapter IV of the TPG? ⁵	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Other (please elaborate)	

⁵ In the case of jurisdictions that do not apply the simplified and streamlined approach (i.e. they responded “no” to question 34), it is not necessary to respond to questions 35, 36 and 38 and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

37	Does your jurisdiction respect the outcome of the application of the simplified and streamlined approach by a covered jurisdiction in line with the Inclusive Framework political commitment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Safe Harbours and Other Simplification Measures			
39	Does your jurisdiction provide for any safe harbours or other simplification measures in respect of certain industries, types of taxpayers, or types of transactions (not listed in other sections of this questionnaire)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>According to Article 11 of EDAAIT, In applying Article 8 (1) 6 of the Act to the method of calculating the normal interest rate on a monetary loan transaction between a resident and a foreign related party, the following interest rates may be applied:</p> <p>1.The interest rate calculated by considering factors under the subparagraphs of paragraph (1), based on the rate that works like the insurance premium rate applicable to a credit default swap transaction to hedge against credit risk such as default on derivatives under Article 5 of the Financial Investment Services and Capital Markets Act and similar foreign derivatives;</p> <p>2.The interest rate calculated by considering factors under the subparagraphs of paragraph (1), based on the interest rate derived from incorporating such variables as risk-free interest rate, default risk, liquidity risk, debt maturity, and inflation rate into a model designed for computing prevailing interest rates in international financial markets;</p> <p>3.The interest rate determined by the Minister of Economy and Finance by considering the transaction amounts, prevailing interest rates, etc. in international financial markets.</p>	<p>Article 11 of EDAAIT</p> <p>Article 3 of ENFORCEMENT RULE OF THE AAIT (“ERAAIT”)</p>
Other Legislative Aspects or Administrative Procedures			
40	Does your domestic transfer pricing framework allow downward corresponding adjustments in the	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 6 of AAIT

	absence of a mutual agreement procedure (e.g. unilateral corresponding adjustments)?	According to Article 6 of AAIT, in an international transaction with a foreign related party in which the transfer price is lower or higher than the arm's length price, a resident may file a report on, or a rectification claim for, the tax base or the amount of tax adjusted based on the arm's length price with the head of a tax office having jurisdiction over the place for tax payment by any of the following deadlines (the reporting deadline under the Income Tax Act or the Corporate Tax Act, a revised return under the Framework Act on National Taxes, etc.), along with a report on adjustment of transfer price.	
41	Does your domestic transfer pricing framework allow or require taxpayers to make year-end adjustments?	<input type="checkbox"/> Yes. Year-end adjustments are required. <input checked="" type="checkbox"/> Yes. Year-end adjustments are allowed. <input type="checkbox"/> No Please refer to the answer to Question 40.	Article 6 of AAIT
42	Does your domestic transfer pricing framework provide for secondary adjustments?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No According to Article 13 of AAIT, where it is not verified that the amount to be included in the gains of a domestic corporation has been returned by a foreign related party to such corporation as prescribed by Presidential Decree, such amount shall be disposed of as a dividend to, or adjusted as an investment in, the foreign related party.	Article 13 of AAIT
Attribution of Profits to Permanent Establishments			
43	Which version of Article 7 of the OECD Model Tax Convention on Income and on Capital do your tax treaties contain?	<input checked="" type="checkbox"/> Article 7 as it read before 2010. <input type="checkbox"/> If so, please indicate in how many treaties: <input checked="" type="checkbox"/> Article 7 as it reads after 2010. <input type="checkbox"/> If so, please indicate in how many treaties: <input checked="" type="checkbox"/> Other (please provide additional details)	

		20 treaties based on or similar to UN Model	
44	For tax treaties containing Article 7 as it read before 2010, does your jurisdiction apply the authorized OECD approach (AOA)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please explain the approach used and which tax treaties are concerned)	Article 130(2) of Enforcement Decree of the Corporate Tax Act Article 181-2(2) of Enforcement Decree of the Income Tax Act
		We generally apply the AOA to tax treaties as it read before 2010, except for some features(e.g. allowing deductions for notional charges) as prescribed in Article 130(2) of the Enforcement Decree of the Corporate Tax Act or Article 181-2(2) of the Enforcement Decree of the Income Tax Act, as the case may be, which applies to tax treaties adopting Article 7 as it read after 2010.	
45	Does your domestic transfer pricing framework contain specific guidance for the attribution of profits to permanent establishments of non-resident entities? If so, please provide a summary of the main features of this guidance.	<input type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments <input checked="" type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments <input type="checkbox"/> Yes, they do not follow the AOA (please provide a summary of the main features of these rules) <input type="checkbox"/> No	
Other Relevant Information			
46	Other legislative aspects or administrative procedures regarding transfer pricing	N/A	
47	Other relevant information (e.g. <i>whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire</i>)	N/A	

For more information, please visit: <https://www.oecd.org/en/topics/sub-issues/transfer-pricing/transfer-pricing-country-profiles.html>