Some 80 tax inspectors and officials met at the OECD in Paris on 18th and 19th October to discuss the auditing of financial transactions both in a domestic and an international context. The meeting was part of the regular co-operation between national tax administrations in OECD countries.

The increased sophistication and innovative nature of financial transactions are causing problems for tax administrations. The deregulation of financial markets, improved communications and the dismantling of non-tax barriers to cross-border capital flows, have radically altered the ways in which traders and others operate in domestic and international financial markets. The meeting offered an opportunity to exchange experiences in this area.

Two broad issues were examined:

- Country experiences on the detection of tax avoidance and evasion schemes using financial transactions, including the use of new technologies and new data sources;

- International issues relating to the tax audit of financial transactions with particular emphasis on the use of tax-minimizing vehicles in tax havens and counteracting measures.

The meeting also provided an opportunity to exchange experiences concerning tax examination of innovative cross-border financial instruments and the attribution of profits in global trading cases.

Further information is available from: