

TAX525 Transfer Pricing

Level: 5

Credit Units: 5 Credit Units

Language: ENGLISH

Presentation Pattern: EVERY JULY

Synopsis:

TAX525 Transfer Pricing provides the student with the opportunity to explore the challenges of Transfer Pricing in far greater depth than normally covered in continuing education programmes. In taxation, “transfer pricing” refers to the pricing of contributions such as assets, services or funds made across borders between different parts of one legal entity, or between different entities of a multinational-enterprise. Because this price can be used as a tool to shift profits from one tax jurisdiction to another, tax authorities have developed a complex principle to price such transactions – the “arm’s length principle”. Any price that falls foul of a tax authority's transfer pricing principles risk being adjusted by that tax authority, and could lead to double taxation of the profits within the same group. Many countries in this region have introduced transfer pricing rules, leading to an increase in transfer pricing scrutiny by tax authorities.

Students will be taken through acknowledged reference manual for transfer pricing, the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.

Topics:

- The Arm’s Length Principle
- Applying the Arm’s Length Principle
- Comparability
- Complexities: Multi-Year Data, Losses, Arm’s Length Range
- Transactional Methods of Arriving at the Arm’s Length Price
- Profit Methods for Arriving at the Arm’s Length Price
- Administrative Approaches to Avoiding and Resolving Transfer Pricing Disputes
- Transfer Pricing Documentation
- Special Considerations – Intangible property
- Special Considerations – Intra-Group services

Textbooks:

The Logic and Practice of Transfer Pricing 2nd Sam Sim, Ziad Rahman LexisNexis
ISBN-13: 9789815019742

Learning Outcome:

- Critique transfer pricing methods both systematically and creatively through the preparation of case studies and essays
- Assess comparability principles both systematically and creatively through the preparation of case studies and essays
- Appraise, formulate and discuss possible approaches to analysing transfer pricing issues, and communicate their conclusions to specialist and non-specialist audiences through case studies and understanding the fundamentals of the preparation of a transfer pricing report
- Compare, and critique the differences between the Singaporean Transfer Pricing guides and the OECD Transfer Pricing Guidelines
- Demonstrate an ability to look at complex problems in a wider context, taking into account as corporate governance, corporate reporting and the general economy through insightful responses to question in assessments
- Assemble paper or web resources to conduct research
- Examine and analyse legal materials which are written in technical or complex language
- Compose and present data provided in numerical or statistical form
- Discuss through different forms of communication, such as verbal, written and formal presentations, presenting knowledge or an argument in a way which is comprehensible to others

Assessment Strategies - Regular Semester (Evening Class):

Components	Description	Weightage Allocation (%)
Overall Continuous Assessment	TUTOR-MARKED ASSIGNMENT 1	50
Overall Examinable Components	ECA	50
Total		100

*The information listed is subject to review and change.