

Alvarez & Marsal Asia Transfer Pricing Services

Guiding clients through an increasingly globalized and complicated tax landscape

Transfer pricing is taking center stage as governments ramp up tax transparency measures in response to global tax reforms. Regulatory pressure continues to build with increasing compliance documentation requirements and enhanced tax transparency expectations that are multiplying the burden and complexity of global transfer pricing management. The risk of significant reputational damage and costs associated with transfer pricing adjustments is now the key focus of multinational enterprises (“MNEs”).

As the Asia region continues to grow in economic importance, detailed regional transfer pricing planning to manage specific local tax requirements and increasingly aggressive tax authorities is more critical than ever.

Our team of regional experts are specialized in providing a full suite of practical solutions to complex transfer pricing problems across Asia.

The importance of transfer pricing

Global transfer pricing continues to evolve in complexity. Tax authorities also continue to expand their capabilities in transfer pricing. Understanding how to strategize within the rules of the game has become ever more important for multinational groups. Issues to consider include:

- Fulfilling group and local entity level documentation requirements in every operating jurisdiction
- Entities deriving low profits or in continuous losses that are not in line with their functions and risks
- Intercompany services including costs that are being borne centrally and not charged out to benefitting subsidiaries
- Valuable intellectual property that is not being recognized or implemented with the appropriate royalty arrangements
- Group financing arrangements that implement interest free loans
- Corporate structures that involve transactions with low tax jurisdictions or tax havens without supporting underlying substance

The A&M transfer pricing solution

Tax audit and dispute

- Strategizing tax audit defense, assisting with expert responses and negotiating with local tax authorities.
- Drafting technical defense positions for audit support and responding to disputes.
- Advising on the use of tax risk management tools such as tax rulings, Advance Pricing Arrangements and Mutual Agreement Procedures.

Strategy and design

- Designing modern supply chain solutions that are tax efficient and resilient in a dynamic regulatory environment.
- Reviewing and optimizing existing models to achieve strategic tax objectives and increased tax efficiency.
- Providing operational implementation guidance and internal governance advice.



Benchmarking

- Ensuring all related party transactions are supported with the right analysis.
- Maintaining analyses to ensure that transfer prices remain accurate and financially dynamic.
- Benchmarking all key related party transaction types, including:
 - Intra-group services, centralized headquarter costs and sales related services.
 - License fees, royalties and intellectual property related payments and transactions.
 - Credit ratings, loans, hybrid debt, cash pools and guarantee fees.

Documentation

- Navigating through complex and changing regulations to advise on documentation requirements across all forms of transfer pricing documentation:
 - Local files.
 - Master files.
 - Country by Country Reports.
 - Tax disclosure forms.
- Advising on global regulatory initiatives, such as BEPS¹, the upcoming GloBE² rules and other newly legislated documentation requirements.
- Assisting with the preparation of intercompany agreements.

1. Base Erosion and Profit Shifting, specifically referring to initiatives taken by the OECD to combat tax planning strategies used by MNEs that exploit gaps and mismatches in tax rules to avoid paying tax.

2. Global Anti-Base Erosion, specifically referring to initiatives taken by the OECD to address the tax challenges arising from the digitalisation of the economy.

The A&M Tax service advantage



Our Asia service team emphasizes regular and proactive communications with our clients and can work in either English or Chinese.

Our project team comprises of mainly senior professionals with over 10 years of specialist transfer pricing experience and emphasize in providing practical solutions and the highest grade of advice to our clients.



Our firm has a fully integrated and full service global network to provide multi-jurisdictional support.

We are the largest independent tax firm with the full resources of both the A&M Tax and wider Taxand networks provide truly global transfer pricing solutions and end-to-end tax support across over 50 jurisdictions and 6 continents.



Our clients are our highest priority, and we are committed to achieving complete satisfaction.

We are uniquely positioned in the market as we are free from all audit-based conflicts and can offer our clients full flexibility with our project approach and fee structure options.

A&M's Global Reach

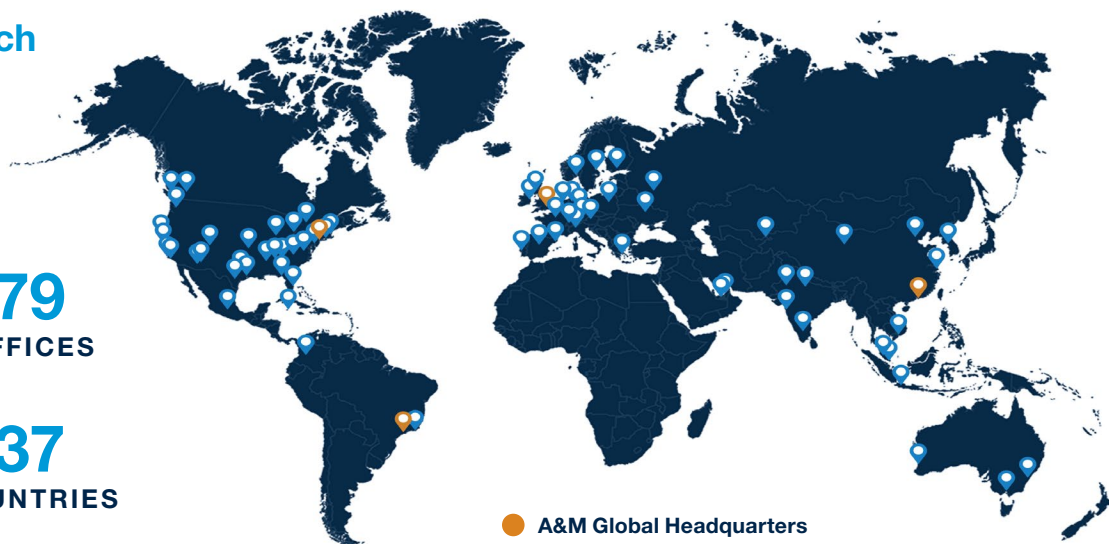
8,500+
EMPLOYEES

6
CONTINENTS

79
OFFICES

40
YEARS

37
COUNTRIES



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ABOUT ALVAREZ & MARSAL TAX

Alvarez & Marsal Tax, part of Alvarez & Marsal (A&M), a leading global professional services firm, is an independent tax group made up of experienced tax professionals dedicated to providing customized tax advice to clients and investors across a broad range of industries. Its professionals extend A&M's commitment to offering clients a choice in advisors who are free from audit-based conflicts of interest, and bring an unyielding commitment to delivering responsive client service. A&M Tax has global presence in major metropolitan markets throughout the Americas, EMEA, and APAC.

Alvarez & Marsal Tax is a founder of Taxand, the world's largest independent tax organization, which provides high quality, integrated tax advice worldwide, and represents the Global Network in the US and UK. Taxand professionals, including 770+ partners and more than 3,000+ advisors in 48 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.

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