A&M | TAX

TRANSFER PRICING TAX SOLUTIONS

A&M's transfer pricing service helps organizations manage how profits are allocated between the subsidiaries of multinational companies.

Regulations stipulate that transactions between subsidiaries should be conducted as though the parties are entirely independent. A&M helps companies across sectors navigate this complexity while preserving business value.

Transfer pricing can aid organizations with everyday compliance and benchmarking right through to business operations, risk management and supply chain planning.

Triggers to Consider:

Are you expanding into a new market?

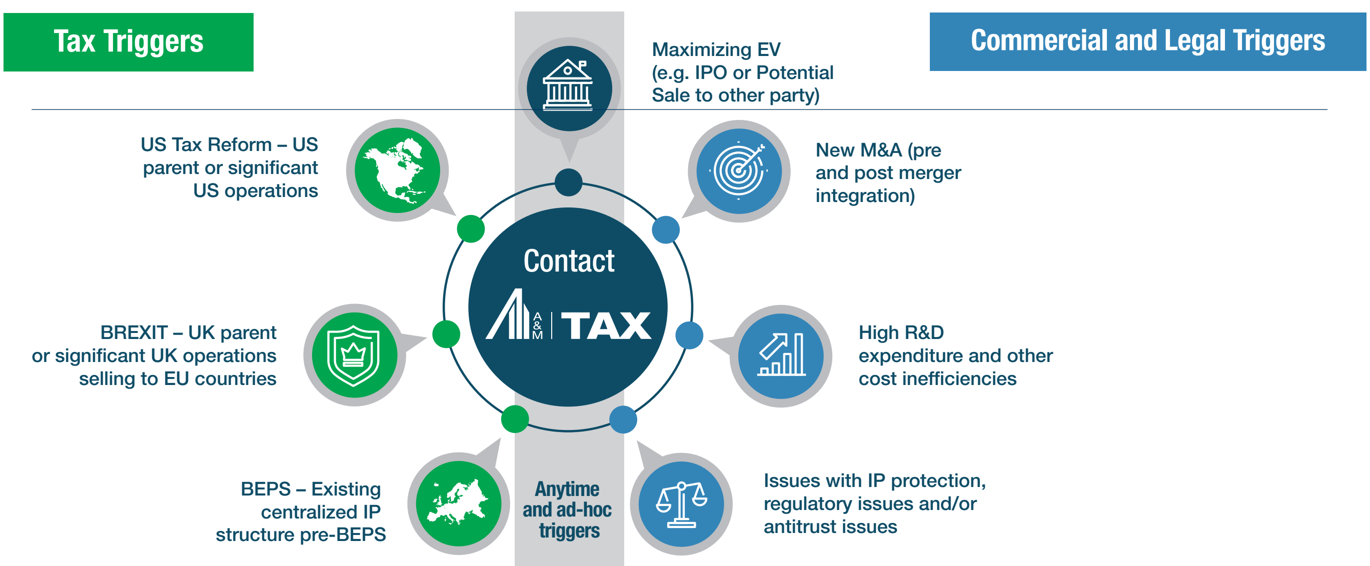
Transfer pricing needs to be treated in slightly different ways in different countries. A&M can deliver robust transfer pricing strategies for companies beginning to trade in new geographies.

Are you contemplating an acquisition?

A&M's transfer pricing offer helps M&A transactions in several ways. Compliance work contributes to successful due diligence, while deeper strategic transfer pricing projects can make a material difference to post-merger integration activities.

Is your in-house team experienced enough to plan and deliver a transfer pricing strategy?

Often, in-house tax and finance teams do not possess intimate transfer pricing knowledge. A&M's professionals help fill these knowledge gaps within the organization. This is particularly beneficial for early-stage companies in sectors like life sciences, where significant IP can be developed in a relatively short period of time.



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Methodology & Tools – How Client Delivery Works

All engagements are carried out on a bespoke basis that acknowledges each client's individual circumstances.

Upfront reviews and feasibly studies are a feature of the service.

The A&M Taxand team can help from start to finish.

A&M carries out lighter-touch projects that recommend solutions and strategies, through to full implementation work. The goal is to develop long-term, multi-year partnerships with clients.

A&M offers a highly cost-efficient review of risks and opportunities that identifies areas of focus in the full engagement. Once the review is completed, the design and implementation phase commences.

Basic compliance work may run from 4 to 6 weeks; more sophisticated planning may take up to 6 months, and transformational projects that span several business functions may run for over a year.

How We Help Our Clients

Value

At Its Best

Coupled with supply chain (value chain) planning, can be a powerful mechanism by which multinational corporations can maximize the group's after tax profit and in turn shareholder returns whilst mitigating risk.

At Its More Sophisticated

Mechanism by which multinational corporations allocate profits between group companies and jurisdictions including IP planning and more complex TP arrangements.

Risk

At Its Simplest

Arm's length pricing between related parties including TP benchmarking and documentation for compliances purposes.

When Risk Materializes

When transfer pricing and business models do not reflect commercial reality and trigger reputational and tax risk. Supporting clients with tax and TP audit, disputeand resolution and making changes to manage the risk going forward.

Compliant transfer pricing in accordance with international standards:
Adhering to the internationally recognized 'arm's length principle', A&M helps companies understand the consequences of profit allocation decisions and execute compliant transfer pricing strategies that preserve value.

Transfer pricing evolves in line with the business strategy:
A&M helps organizations understand the broader business implications of transfer pricing. Simply updating documentation every year will not equip organizations to respond strategically to new risks and opportunities.

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Why A&M TAXAND For This Solution

An international team for an international service:
With team members hailing from around the world, boasting professional experience on almost every continent, A&M's practitioners understand the complexities of establishing tax arrangements across multiple jurisdictions.

Hands-on senior practitioners:
Context is vital, and robust transfer pricing demands detailed knowledge of the industry and markets in which each client operates. Clients benefit from close contact with hands-on, highly experienced senior professionals.

Drawing on expertise across the professional services:
Transfer pricing clients are able to benefit from A&M's economics and legal expertise from our other practice areas, differentiating the A&M offer from Big Four firms.

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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.

To learn more, visit **AlvarezandMarsal.com.**

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