Table of Contents

Editors	V
Contributors	vii
List of Figures	xvii
List of Tables	xxi
Editors Contributors List of Figures List of Tables Preface PART I General Topics	xxiii
Part I	
General Topics	1
CHAPTER 1	
Introduction to Transfer Pricing	3
1 Introduction	4
2 What is Transfer Pricing?	5
3 The Relevance and Reputational Impact of Transfer Pricing	7
4 The Arm's Length Principle	11
5 The Application of the Arm's Length Principle	18
6 The Consequences of a Transaction Not in Line with the Arm's Length	
Principle	27
7 Conclusions	32
CHAPTER 2	
Accurate Delineation and Recognition of Actual Transactions: Comparability	
Analysis	35
1 Introduction	36
2 The Identification of the Commercial or Financial Relations	37
3 The Recognition of the Accurately Delineated Transaction Undertaken	56

CT 1	T				
12	71	0	Ot	Contents	
I a	σ		OI	COTTICITIO	

Table	of	Contents

4 5	Comparability Analysis Conclusions	58 88
Снаг	PTER 3	
	nsfer Pricing Methods (Part I): Traditional Transaction Methods	91
1	Introduction	91
2	Comparable Uncontrolled Price Method	99
3	Resale Price Method	107
4	Cost Plus Method	115
5	Conclusions	123
Снаг	PTER 4	
Tran	nsfer Pricing Methods (Part II): Transactional Profit Methods	125
1	Introduction	126
2	Transactional Net Margin Method	126
3	Transactional Profit Split Method	140
4	Other Methods	151
5	Conclusions	158
Снаг	PTER 5	
Adm	ninistrative Approaches to Avoiding/Minimizing Transfer Pricing Disputes	159
1	Introduction	160
2	Advance Pricing Agreements	162
3	Current Experience with International Co-Operation: Simultaneous and	
	Joint Tax Examination	180
4	Safe Harbours	191
5	Conclusions	197
Снаг	PTER 6	1/4
Adm	inistrative Approach to Resolving Transfer Pricing Disputes	199
1	Introduction	200
2	Mutual Agreement Procedure	201
	Arbitration	224
4	Conclusions	237
Снаг	eter 7	
Tran	sfer Pricing Documentation: Master File, Local file and	
Cour	ntry-by-Country Reporting	239
1	Introduction	240
2	Master File	248
3	Local File	256
4	Country-by-Country Reporting	259
5	Critical Review of the TPD under the BEPS Action 13	273
6	Conclusions	278
Anno	ex 1: A Comparative View of the Master File Requirements	279

Annex 2: A Comparative View of the Local File Requirements	282
PART II	
Specific Topics	285
CHAPTER 8	
Attribution of Profits to Permanent Establishments	287
1 Introduction	289
2 The Attribution of Profits Based on the Fiction of Restricted Independence	
(i.e., Before the AOA), Including Banks	291
3 The Attribution of Profits Based on the Fiction of Full (Absolute)	
Independence (i.e., After the AOA)	304
4 Different Outcomes under Different Approaches	323
5 Different Outcomes Between Article 7 and Article 9 ALP?	328
6 Conclusions	330
CHAPTER 9	221
Transfer Pricing and Intra-group Services	331
1 Introduction	332
2 The Assessment of the Arm's Length Nature of Intra-group Services	342
Conclusions	375
Annex 1: List of Intra-group Services Based on the Guidance Provided by the	376
EU JTPF Annex 2: Treatment of Markup on Routine Intra-group Services in Selected	370
Annex 2: Treatment of Markup on Routine Intra-group Services in Selected Countries	378
Countries	370
Chapter 10	
Transfer Pricing and Intra-group Financial Transactions	379
1 Introduction	380
2 The Assessment of the Arm's Length Nature of Intra-group Financial	
Transactions	389
3 Conclusions	412
CHAPTER 11	
Transfer Pricing and Intangibles	415
1 Introduction	415
2 Definitional Issues	420
3 Ownership Issues	424
4 Transfer and Licensing of Intangibles	428
5 Valuation Issues	431
Chapter 12	
Transfer Pricing, Supply Chain Management and Business Restructurings	437
1 Introduction	439
2 Types of Business Restructuring	442

Table of Contents

3	Role of Supply Chain Management and 'Value' Drivers	443		
4	Application of Arm's Length Principle to Business Restructuring			
	Transactions	449		
5	Recognition of the Accurately Delineated Transactions	475		
6	Post-restructuring Transactions	476		
7	Artificial Avoidance of Permanent Establishments	479		
8	Importance of Documentation	480		
9	Conclusions	482		
2				
	PTER 13			
	nsfer Pricing and Customs Valuation	483		
1	Introduction	484		
2	Customs Valuation and Related Party Transactions	484		
3	Links Between Customs Valuation and Transfer Pricing	492		
4	Use of Transfer Pricing Information to Examine Related Party Transactions	495		
5	Conclusions	503		
	0)			
	PTER 14			
	nsfer Pricing and EU State Aid	505		
1	Introduction	506		
2	Overview of the EU State Aid Regime	507		
3	Fiscal State Aid	517		
4	The EU Commission's Approach to Fransfer Pricing Rulings	522		
5	Conclusions	541		
т Л				
Inde	X X	543		
Char	ptore in This Publication	549		
Cila	Chapters in This Publication 5			