

IFA 75th Annual Congress Cancun, Mexico

Subject 1

Sharing and shifting of corporate losses - The new profit shifting?

Chair: Sam Kaywood (USA)

Short description

The panel will review arrangements to shift of losses among entities in a multinational group to optimize tax planning as well as tools deployed by tax authorities to combat them. In particular, the panel will cover the migration of assets or companies with built-in losses to other jurisdictions, the duplication of losses in different countries, the use of transfer pricing arrangements to transport profits or losses (through the migration of intangibles or otherwise), techniques to refresh expiring tax attributes and the use of financial arrangements to base erode a high-tax jurisdiction while creating stateless income. The panel will explore specific tools to implement these arrangements, including the use of dual resident companies, cross-border reorganizations, hybrid instruments and hybrid entities. The panel will also consider the use of “soft doctrines” to attack these arrangements as well as the impact of Pillar 2.