



CFE Forum 2017

“Do you have a taxable presence in a country? - The new reality Permanent and Fixed (VAT) Establishments in the post BEPS world ”

Date: Thursday 30 March 2017

Time: 9.00 - 16.30 hrs

Venue: Representation of the State of North Rhine-Westphalia, rue Montoyer 47, B-1000 Brussels

The aim of the G20 / OECD BEPS Action Plan is to ensure that businesses pay tax where its economic activities take place and where value is created. These changes will have enormous implications for businesses and may force a restructuring of existing operating models and value chains.

In this year's Forum we will first analyse the new rules to determine whether a business has sufficient activities in a particular country to acquire a PE status, and consequently be subject to a direct tax liability in that country. Governments and tax authorities worldwide are committed to taking action against the artificial avoidance of PE status, which results in companies avoiding tax liabilities in a country despite having significant business activities there. From the Governments' perspective, this erodes the tax take and therefore is a key issue for tax authorities. As a consequence, Tax authorities will likely challenge the tax implications of particular business models.

The new G20/OECD recommendations are being translated into domestic law and we anticipate that there are going to be an increasing number of disputes between countries as to which one has the taxing rights in respect of a particular companies' activity. There will also be an increased compliance burden for both tax authorities and taxpayers. This will result in increased volumes of data being collected by tax authorities and increased documentation requirements on businesses in order to ascertain which income must be attributed to the PE.

In addition to the aforementioned considerations, businesses are also faced with an increasingly digitalised world and we are increasingly seeing business models being adopted which centralise their control over their major business functions and risks. This will involve implementation of intercompany service agreements to distribute centralised costs amongst a group of companies. Finally, transfer pricing will continue to play a key role in determining tax outcomes in a digitalised world.

This is not just an issue for direct tax but also for VAT, where disputes also arise on the scope of the concept of an FE and where there is sometimes a tendency for tax authorities to view the concepts of FE and PE as being identical, when they are in fact different.

And, as the decision by the Court of Justice in *C-605/12 Welmory sp z oo v Dyrektor Izby Skarbowej w Gdańsku* illustrates, it can also be difficult to determine whether a supplier or customer has a Fixed Establishment (FE) in a particular country, which may impact on where VAT liabilities arise and on the procedures for recovering input tax.

We look forward to welcoming you at the 2017 CFE Forum to consider these major changes to the international tax landscape in the context of the pivotal tax concept of PE & FE status.

More information on programme, registration and logistics are available on our [website](#).

For further details, please do not hesitate to contact the CFE Office in Brussels:

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9.00 hrs Admission

9.15 hrs Greetings by **Rainer Steffens**, Director at the Representation of the State of North Rhine-Westphalia
Welcome by **Ian Hayes**, First Vice-President, CFE

9.30 hrs **Session 1 - Permanent Establishment - A more appropriate allocation of taxing rights?**

Introduction by **Piergiorgio Valente**, President of the CFE

Moderation: **Jos Goubert**, Member of the CFE Fiscal Committee

Jefferson Vanderwolk, Head of Tax Treaty, Transfer Pricing & Financial Transactions Division, OECD

Prof. Alfredo Garcia Prats, Professor of Tax Law, University of Valencia, Spain

Georg Geberth, Director Global Tax Policy at Siemens & Representative of the International Chamber of Commerce

10.45 hrs Coffee break

11.00 hrs **Session 2 - Revisiting the value chain & the Permanent Establishment risk. Would CCCTB be the solution within Europe?**

Moderation: **Dick Hofland**, Tax Partner Linklaters LLP Amsterdam & Member of the CFE Fiscal Committee

Harmen Van Dam, Transfer Pricing Expert & Tax Partner, Loyens & Loeff, The Netherlands

James Watson, Chief Economist, Business Europe

Uwe Ihli, Head of Unit, Corporate tax directives & common consolidated tax base, European Commission

12.30 hrs Lunch break

13.30 hrs CFE Award ceremony: **Albert J.Rädler Medal (Frits Sobels)**

13.45 hrs **Session 3 - Direct tax concept of Permanent Establishment and VAT concept of Fixed Establishment: Compare / Contrast**

Moderation: **Jeremy Woolf**, Chairman of the CFE Indirect Tax Sub-Committee

Paolo Centore, Member of the CFE Fiscal Committee, Member of European Commission VAT Expert Group

Dr. Karoline Spies, Institute for Austrian and International Tax Law, Vienna University of Business & Economics

Karl-Heinz Haydl, Global VAT/GST Leader Technical & Policy, General Electric Germany

15.45 hrs **Session 4 - The future of the profession**

Wim Gohres, Chair of the CFE Professional Affairs Committee on the work of the Committee

Olivier Boutellis-Taft, CEO, Accountancy Europe

16.00 hrs Closing remarks by **Stella Raventós-Calvo**, Chair of the CFE Fiscal Committee