

LEIDEN-TA ADVANCED TAX TREATIES PROGRAMME 2021 29 Nov to 10 Dec 2021 | Virtual Programme

Dates: 29 Nov to 10 Dec 2021

Time:

3.00 p.m. to 6.00 p.m.
(Singapore Time)

Fees: SGD 3,210 (incl. GST)

Overseas participants who in their business capacity belong overseas and are sponsored by overseas employers will pay SGD 3,000, exclude GST.

Certificate of participation:

A certificate of participation will be issued to participants who achieve a minimum attendance rate of 60% and complete a short assessment during the class.

Closing date for registration:

27 Oct 2021

To register, please scan the QR Code:



Web link:

<https://bit.ly/3vVTOMT>

For enquiries on the event,
please email:

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The **Advanced Tax Treaties Programme** is a collaborative effort between Tax Academy of Singapore and International Tax Center Leiden, Netherlands. This virtual 10-day programme offers participants thorough knowledge of the complex rules that govern tax treaties and application of the advanced treaty concepts.

Who should attend

The programme is aimed at tax professionals who are seeking to deepen their insight and expertise in tax treaties. Participants should have at least three years' tax experience and basic knowledge of tax treaties, equivalent to Tax Academy's Level 1 (International Tax) Executive Tax Programme.

Main topics to be covered

- Key concepts of international taxation
- Introduction to tax treaties and treaty residence issues
- In-depth examination of the rules and structure of the OECD Model Tax Convention, with emphasis on the substantive articles:
 - Business profits under tax treaties
 - Investment income - Dividends, interest & royalties and immovable property income
 - Income from employment under tax treaties
- Discussions on case studies to introduce participants to application of advanced treaty concepts on real-life scenarios. Issues ranging from determination of treaty residence, effect of the tie-breaker rules for companies, permanent establishments and anti-abuse rules introduced by MLI pursuant to BEPS Action Plan.

Speakers:

- Prof. dr. Kees van Raad, Chairman, International Tax Center Leiden
- Siddharth Parekh Adv LLM, Lecturer, International Tax Center Leiden

**Key Concepts of International Taxation
Introduction to Tax Treaties & Treaty Residence Issues**

Dates & Time: 29 & 30 Nov | SGT 3.00p.m to 6.00p.m. (incl. 20 minutes break)

In order to bring the participants from various backgrounds up to the same level, a quick introduction on taxation of cross-border income and methods of double taxation relief (juridical and economic double taxation) will be made. Next, the various methods to relieve juridical double taxation will be analyzed: both their operation and their advantages & disadvantages. A brief overview is presented of the types of relief countries may offer regarding of economic double taxation of dividends at corporate and shareholder levels.

Finally, the interaction between the distributive articles and the double taxation relief provisions will be examined and explained, along with a detailed analyses of the key concepts 'residence' and 'source'. With regard to 'residence', the changes in the 2008 OECD Model Convention Commentary update on the tie-breaker rule and the impact on the 'loser' state's capability to be residence state for purposes of tax treaties with third countries (triangular situations) will be analyzed in some detail. Additionally, the impact of significant case law on the issue will be considered.

**Introduction to Tax Treaties & Treaty Residence Issues (continued)
Business Profits Taxation under Tax Treaties**

Dates & Time: 1, 2, 3 & 6 Dec | SGT 3.00pm to 6.00pm (incl. 20 minutes break)

The main topics of this comprehensive subject include the contents and application of the distributive rules of OECD Model Article 7: the main rule and the exception if business is conducted through a 'permanent establishment' (PE) in the other state. Further, the concept of PE of Art. 5 OECD and UN Models (physical PE, project PE, agency PE and the UN Model's Service PE) will be thoroughly explained. The practical difficulties encountered in applying Articles 5 and 7 will be examined in detail.

Certain topics in the application of tax treaties continue to puzzle tax practitioners and tax administrators alike. One of these topics includes the taxation of business profits under Art. 7 of the OECD Model. In 2010, the OECD included in the update of the OECD Model & Commentary a new Article 7 with Commentary. In the updated rules, a novel approach is taken to many of the issues that have arisen in the past with regard to the attribution of profits to a permanent establishment. This lecture will deal with these issues and also analyze the interpretation and application of these new Art. 7 rules. Further, special attention will be paid to income attribution to Project PEs and Agency PEs.

Investment Income - Dividends, interest & royalties; Immovable property and Income from employment, pensions, etc. under tax treaties

The tax treaty rules on investment income vary with the nature of the investment. Immovable property income is typically subject to ordinary taxation in the source country, whereas income from intangible rights (shares, debts, intellectual property rights) is usually subject to flat-rate gross-basis taxation in the source country with the residence country taxing it again with a tax credit provided for the source country tax. The taxation of investment income gives rise to numerous interpretational and practical issues, the most important ones of which will be touched upon in this day's topic.

There will also be a detailed examination of the definitions of dividends, interest and royalties – in particular, possible differences between domestic and treaty law qualifications as well as dual source issues with respect to interest income. Further, the concept of the 'beneficial owner' clause will be analyzed, particularly in light of the 2014 update of the OECD Commentary on this issue. With regard to immovable property, the developments on the application of Articles 6 and 13 as well as the practical difficulties in tax treaty application due to the interaction of Articles 6, 7 and 21 will be analyzed.

Income from employment, pensions, etc. under tax treaties

The grown international mobility of labor has greatly increased the importance of OECD Model Articles 15 through 20, each of which deals with a particular type of service income. With the rise of cross-border secondment of employees by Multinational Enterprises (MNEs), the issue of how to deal with temporary cross-border employment in multiple states has become increasingly important.

The main rules are laid down in Article 15 which gives rise to a variety of important issues in international tax practice. However, due to numerous undefined terms in the provision (such as 'employer', 'remuneration paid by or on behalf of'), practical difficulties arise in the interpretation and application of this article, leading to many undesirable situations of double taxation or double non-taxation. Issues such as international hiring out of labor and the residence of the employer will be analyzed in some detail (including involving employers who are tax exempt or are a hybrid entity such as a partnership).

In addition to an analysis of some of these cross-border issues, other points arising under the rules on the remuneration of directors (Article 16), artistes and sportsmen (Article 17) and pensions (Article 18) will be discussed. There has also been a trend in the issuance of stock options (addressed under Article 15) in the recent years. With the cross-border movement of employees, numerous treaty issues such as mismatches in taxing events and timing, multiple residence taxation, identification of services to which the option relates arise. Various OECD approaches (based on date of vesting and exercise) to the cross-border taxation of stock options will be examined in different cross-border situations.

Kees van Raad
Chairman, International Tax Center Leiden

Kees van Raad is chairman of the International Tax Center Leiden, of counsel to Loyens & Loeff and Professor em. of International Tax Law at the University of Leiden. He is also chair of the International Fiscal Association's Jury for the annual Mitchell B. Carroll Prize, a past member (1986-2006) of its Permanent Scientific Committee and an Honorary Member of IFA. He is a member of the Advisory Panel of BRITACOM (the tax branch of the organization set up to develop and implement China's Belt and Road Initiative). Further, he was a member (1999-2012) and chairman (2006-2012) of the Executive Board of the European Association of Tax Law Professors and a member (2003-2015) of the Supervisory Board of the Max Planck Institute for Tax Law and Public Finance in Munich, Germany.

He has published comprehensively on issues of international tax law, and in particular on tax treaties. He has lectured in more than 30 countries, has held visiting professorships at many universities abroad and is a frequent speaker at foreign conferences, congresses and seminars.

Siddharth Parekh
Teaching Associate, International Tax Center Leiden

Siddharth is a partner at Sunil G Parekh & Co, Chartered Accountants, a Mumbai based tax and accounting firm and focuses on advising clients on international tax and transfer pricing issues. He has previously worked in the international tax team of EY in their London and Mumbai offices. A chartered accountant from the Institute of Chartered Accountants of India, he obtained his Adv LLM in International Tax Law from Leiden University, where he worked as a teaching assistant and continues to lecture on international tax law.

International Tax Center Leiden (ITC Leiden)

The International Tax Center Leiden (ITC Leiden) was created in 1998 to provide comprehensive instruction programs in international tax law. In addition to the programs taught in the Netherlands, ITC Leiden offers short courses (typically 1-3 weeks) around the world. Prof. Kees van Raad, its founder and chairman, manages the various programs. In China ITC Leiden offers each summer free of charge a full week program for Chinese students specializing in tax.

Tax Academy of Singapore

Tax Academy of Singapore is a not-for-profit institution set up by the Inland Revenue Authority of Singapore in collaboration with the international accounting firms - Deloitte & Touche, Ernst & Young, KPMG and PricewaterhouseCoopers, the Singapore Chartered Tax Professionals, the Institute of Singapore Chartered Accountants and the Law Society of Singapore. Tax Academy collaborates with leaders in the industry, academia and the government to develop and deliver structured tax training programmes and regular seminars and conferences that effectively raise the professional competency, knowledge and capabilities of the tax community.