

An Overview of ICAI Initiatives in the domain of International Taxation



Globalisation, signing and review of free trade agreements, increase in the number of cross-border transactions, mergers, acquisitions, tax treaties, transfer pricing etc. have over the period of time added to the complexities of international taxation laws. In this background, the ICAI has been keeping pace with times and has taken a number of initiatives to keep Indian Chartered Accountants abreast of latest changes and developments in international taxation. To promote research and to help the members in building the capacities in the field of international taxation, ICAI has a dedicated non-standing Committee namely “Committee on International Taxation”. This feature provides an overview of the some important initiatives recently taken by the Committee vis-à-vis international taxation. Read on to know more...

In rapidly changing dimensions of International Taxation, the ICAI through its Committee on International Taxation copes with the challenges and helps the members and ICAI to accomplish its motto of “Partner in nation building”. From time to time committee examines the Tax Laws, Rules, Circulars, Notifications, and DTAA etc. relating to International Taxation which may be enacted or issued by the Government or other institutions. It also submits representations to the appropriate authorities as and when required. The Committee also enhances the relationship of the members with the Department by representing the issues faced in the practice of International taxation before the appropriate authorities. Some of the important initiatives taken up by the committee are as under:

- **Publication:** Considering the growing importance of the area of International Taxation and Transfer Pricing, the Committee
- **Post Qualification Course in International taxation:** Apart from disseminating knowledge through publications, the Committee organises Post Qualification course in International taxation. Three batches of Diploma in International taxation have just been completed

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in Pune, Hyderabad and Chennai. Earlier batches in Mumbai, Delhi, Bangalore, Ahmedabad and Gurgaon were organised and successfully completed. Further batches are being planned out.

- **Webcast, Seminars, Conferences, and Similar Programmes:** The Committee on regular basis organises webcast/ webinars on topics of importance in the area of International Taxation and Transfer Pricing. This year, the Committee has organised live webcast on the following areas of importance:

- a) GAAR – A discussion on Key Aspects
- b) POEM Guidelines – Issues and Challenges
- c) Multilateral Instruments – Impact on India's tax treaties
- d) Safe Harbour Rules
- e) Report under section 92E of the Income tax Act, 1961- Practical issues and challenges.

These webcasts may be viewed at <http://icaitv.com/?cat=92>. In the year to come, the Committee proposes to organise a series of webcasts, dedicated seminars and conferences etc. on important topics pertaining to transfer pricing and International taxation.

Further, the Committee had organised a two days Seminar on International Taxation in February, 2017 in New Delhi in association with NIRC of ICAI.

- **Examining the Tax Laws, Rules, Circulars, Notifications, DTAA etc. relating to International Taxation which may be enacted or issued by the Government or other institutions from time to time and sending suitable representation:** Important issues reported to the Committee are taken up with the appropriate authorities. Recently, the suggestions on POEM guidelines were submitted to the Chairman, CBDT. The Committee is proactive in taking steps for appropriate solutions in respect of issues arising from time to time.
- **Preparation and submission of memorandum relating to International Taxation for Pre Budget and Post Budget along with Direct and Indirect Taxes Committee:** The committee has invited suggestions for identifying issues relating to International Taxation in the Pre-

Budget 2018 Memorandum, which is to be submitted to the Government.

- **E-newsletter:** In furtherance to the steps taken by the Committee in supporting development of this important subject of International Taxation and Transfer pricing, the Committee has come out with this 7th edition of e-newsletter which consists important judicial updates as well as recent developments in international taxation and initiatives taken up by the committee. The same can be viewed at https://www.icai.org/new_post.html?post_id=10411&c_id=241.
- **Regular updates:** Since the Committee releases the e-newsletter on quarterly basis, it sends a regular e-mail alert to all the members about the updates in International taxation.
- **Transition Scheme:** The Committee is working on a transition scheme for the members who have completed certificate course in International Taxation and now want to pursue Diploma course in International Taxation. In transition scheme, the requisite training is proposed to be imparted through e-learning mode and training would be given through videos recorded by eminent experts in the area of Transfer Pricing and International Taxation. Further, Committee is also in the process of updating its e-learning courses on Transfer Pricing and International Taxation.

Presently, BEPS has become a major concern both for business enterprises engaged in the cross-border transactions and the tax administrations of the concerned states. Changes are being made in tax laws worldwide to cope up with the emerging environment. Sweeping changes are being made in the Indian taxation laws to align them with the BEPS action plans. The implementation of recent changes in the provisions has raised various issues and concerns which are being sailed through by our chartered accountants. Being a partner in nation building, all efforts are being made to ensure effective implementation of the changes in the law so that India gets its fair share of income besides being able to provide certainty in taxation. For sure, it is a tight rope walk which is to be managed. ■