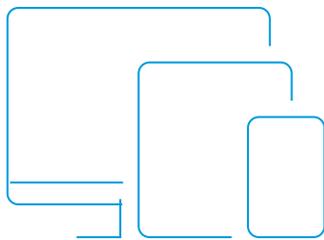




Transfer pricing

Enhance internal organization, transactions and processes to facilitate a sustainable tax footprint



Authorities are addressing the globalization and digitalization of business by expanding tax legislation and introducing new tax concepts for related party transactions.

This leads to stricter compliance requirements and related penalties, in addition to increased audit efforts.



Multinational enterprises (MNEs) face exposure to transfer pricing issues due to multiple factors, including:

- BEPS Inclusive Framework, with an emphasis on Actions 8-10 (Aligning Transfer Pricing Outcomes with Value Creation) and Action 13 (Transfer Pricing Documentation and Country-by-Country Reporting)
- Increased complexities in local transfer pricing regulations
- Extensive transfer pricing audits, disputes and litigations
- Impact of inter-company transactions on customs, VAT and excise duties

How can KPMG Lower Gulf assist?



Support the development of more economically viable transfer pricing policies and the execution of sustainable tax planning



Design and implementation of systems for setting, monitoring and documenting inter-company transactions, allowing greater visibility and control of the internal organization



Facilitate documentation of transactions between related parties, in line with the arm's-length principle



Assist with resolving transfer pricing disputes, through relevant examinations, advance pricing agreements, negotiations with respective tax authorities, arbitration and competent authority processes, appeals and alternative solutions

What are the potential benefits?

Focus on your core business

- Our transfer pricing services enable your business to focus on core activities with adequate internal set-up and tax function support

Increase efficiency

- Enhance overall tax footprint
- Manage the effective global tax rate
- Align policies, procedures and KPIs to reflect your business model and organizational set-up
- Improve company performance by enhancing internal management
- Simplify year-end financial reporting by reducing the number of transfer pricing adjustments
- Achieve consistent application of and adherence to global transfer pricing policies
- Mitigate confidentiality, transparency and transfer pricing risks
- Identify ways to reduce the overall cost of transfer pricing compliance

Gain better control and visibility

- Enable greater realization of tax planning goals
- Increase efficiency of general ledger, as well as financial statement closing processes
- Enhance visibility and provide greater analytical capabilities to better assess and mitigate potential transfer pricing exposures
- Achieve consistency between transfer pricing policy implementation and execution globally
- Expand and advance risk management across transfer pricing processes
- Improve visibility and tracking of ongoing transfer pricing financial performance to facilitate annual forecasting and year-end reporting
- Facilitate and support transfer pricing compliance

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Manage transfer pricing controversies

- Proactively identify transfer pricing risks and explore options to manage related exposures
- Support the arm's-length nature of inter-company transactions in the event of a tax audit
- Assist with dispute resolution

Contact us

UAE



Stuart Cioccarelli
Head of Tax, UAE
KPMG Lower Gulf Limited
E: scioccarelli@kpmg.com



Shabana Begum
Head of Transfer Pricing
KPMG Lower Gulf Limited
E: shabanabegum@kpmg.com

Oman



Ashok Hariharan
Head of Tax, Lower Gulf
KPMG Lower Gulf Limited
E: ahariharan@kpmg.com