

## **Young IFA Network Seminar**

### **Effective tax compliance and efficient tax administration: How to reduce Red Tapes, whether Standard Business Reporting should be widely adopted**

In this day and age, regulatory compliance has become a major burden for businesses as well as creation of additional workloads for the tax administrators. What are some of the ways this burden can be reduced so that effective tax compliance and efficient tax administration can be achieved. Standard Business Reporting or SBR is a standard approach instigated by a number of governments to online or digital record-keeping to simplify reporting burdens. Whether the SBR achieved its objective? Should SBR be widely adopted?

#### **Plenary 1. Tax Reform and Society (PANEL including OECD/EU)**

East Asia faces significant demographic and social challenges. Tax policy is a cornerstone of legislative decision-making, and the future of tax law in the region will be in part dictated both by the emerging OECD/EU-led consensus in the domain of international taxation and domestic pressures to respond to societal challenges. Our mixed panel of practitioners and public sector experts will consider common themes in the evolution of domestic tax law and how the legislative process is affected by both international and local concerns. The implications for extensive tax reform including incentive systems, tax rates and the allocation of the burden of taxation will be profound for practitioners and clients alike. The panel will aim to provide a clear sense of the shape of things to come.

#### **Plenary 2. Tax & ESG (PANEL including OECD/EU)**

This session will explore how ESG can impact the tax morale of companies & the perception of corporate tax compliance in the marketplace, this from an Asian perspective. Companies (including tax advisors) are facing pressure to do it right (pay fair taxes / be transparent on their tax (advisory) policies) from not only investors, the regulators and society, but also from investors and employees. How can they reach this ESG tax goal (without losing from the competition)? How can small companies contribute to the ESG tax goal? And what are the role of governments in this (environmental taxes/allowances) & whether governments should be made more accountability because of ESG 'collected' taxes?

## **Workshop 1. Growing disparities between tax residence rules – are we heading to global anarchy?**

Disparities between countries concerning tax residence rules for individuals is becoming extreme as countries are sacrificing principle for an immediate cash grab. Australia is about to introduce a 45 days presence test. The UK has complex rules, the US has a different system entirely, and there is little uniformity. Even the 183 days test is generally a deeming provision and not a safe harbour. The panel will discuss this trend and decide whether we should have a return to principle and thus more uniformity.

## **Workshop 2. Privacy in a transparent world**

The OECD has recently published a new information exchange standard for crypto assets and a proposal for information exchange concerning foreign owners of real estate properties. The United States enacted further the Corporate Transparency Act and more countries have been establishing beneficiary ownership registers. How has CRS/FACTA been successful? This session will explore these trends, look at a review of CRS/FACTA, privacy issues and their implications in Asia.

## **Workshop 3. Indirect Taxes: VAT & customs duties in Asia**

In Asia, indirect taxes are rarely discussed, but this does not mean that they can be ignored. This is a topic that deserves more attention. Indirect taxes can be considered as not only a way to broaden the tax base but also as an important tool to raise awareness that public services come at a cost. Basic knowledge about indirect tax systems is therefore a ‘must’. Typical questions relate to how to deal with indirect taxes and how to mitigate them. Do free trade agreements offer any relief? An expert panel from various Asian countries will discuss these and related issues.

## **Workshop 4. Tax evasion as a predicate offence under anti-money laundering laws**

The Financial Action Task Force has declared that tax evasion must be treated as a predicate offence under anti-money laundering laws, but this raises any unresolved issues. These include: what foreign taxes are covered? What features or activities should give rise to a suspicion that tax evasion is occurring? How does one determine whether cash or other property represents the proceeds of tax evasion so as to be subject to reporting obligations or freezing orders; fourthly, how does one trace such proceeds through the tax evader’s accounts? How far back in time does one trace the original source of funds? And can tax evasion occur before tax returns are due to be filed? Different jurisdictions have taken different approaches, and many institutions adopt simplistic approaches that defy technical robustness. A panel will explore these and related issues.

## **Women of IFA Network Seminar. Artificial Intelligence: what does it hold for practitioners and administrators?**

Artificial Intelligence can now be found everywhere and is becoming an important tool in the legal and tax practice. How can it be used by tax practitioners and tax administrations? Who is using it already, and to what extent are AI-related risks such as quality and confidentiality being managed?

## **Plenary 3. The New(?) United Nations Tax Convention**

The UN is generally seen by many as an open forum for emerging economies. This in contrast to the OECD which is often considered as a 'club' for rich countries. This follows, amongst others, from the UN Model Tax Treaty which focuses on source taxation, whereas the OECD Model Tax Treaty is more focused on residence taxation. In November 2022, the UN's Economic and Financial Committee tabled a resolution proposing the establishment of a 'new' UN Tax Convention that will give low- and middle-income countries more decision-making powers over global tax affairs. The resolution was adopted and considered as a diplomatic win for African States that initially proposed the resolution. A further report on the progress of this resolution can be expected this coming July. Issues that arise from this 'historic' development are numerous, such as whether such 'new global tax body' would undermine the OECD's position; will it create a conflict between the UN and the OECD on fundamental tax policies; and will the 'new forum' be able to achieve a broader consensus than the OECD and hence create a more balanced / efficient international tax system? Also, are there other methods to influence global tax policy-making, such as through China's Belt and Road Initiative?

## **Workshop 5. Domestic v global anti-avoidance principles - convergence and challenges**

This session will focus on the interaction between evolving domestic anti-avoidance doctrines both in civil and common law jurisdictions and international law doctrines of treaty abuse, including the introduction of the principal purpose test. Speakers will draw from their own experiences in practice and their technical insight of domestic legislation to identify common trajectories in domestic anti-avoidance legislation, and how this is likely to interact with the application of anti-treaty abuse / treaty shopping provisions. The prospects for dispute resolution, including arbitration and other forms of alternative dispute resolution, will further be considered in the light of an Asian tax landscape that will likely become more contentious in the near future.

## **Workshop 6. Practical issues behind Pillar 2**

This panel session will address practical issues that arise from Pillar 2. These include whether jurisdictions in Asia are prepared for its implementation; how countries should seek to adjust or change their tax incentives and subsidies; how are departures from the GloBE rules being handled; , are MNEs in Asia suitably prepared; will Pillar 2 reduce tax disputes for MNEs; and what are the planning strategies MNEs might use in response to Pillar 2?

## **Workshop 7. Latest & Hottest Tax Developments in Asia: Do You Really Know What Happens Next Door?**

A panel will discuss some key developments in various countries that affect tax practitioners.

## **Workshop 8. NGOs & tax evasion**

This session will discuss the role of non-governmental organisations, such as OXFAM, in combating tax avoidance and aggressive tax planning by global corporations. Who are they, what are their campaigns & strategies, how successful have they been and what are their challenges ahead?

## **Plenary 4. The future of the tax profession**

Will the harmonisation of international tax norms, and the ever-increasing influence of the OECD, fundamentally change the tax profession? Perspectives from practitioners and academics in Asia will provide a perspective on how this trend might affect the market for tax advice, and how the profession can evolve to meet those coming opportunities and challenges. A diverse panel of accountants and legal practitioners will share their experience in responding to the changing demands of clients and the often quite radical changes in tax administrations' policies. Discussion points will include legal professional privilege, the future of tax planning and tax structuring, and the emergence of normative doctrines of 'good corporate citizenship' that could impact both the scope of and approaches towards tax planning. Not to be missed also is the trend towards increased reporting obligations on tax advisers – Mandatory Disclosure Rules under DAC6 and CRS MDRs and the EU's recent proposal for further regulation of professional enablers.