

Newsletter No. 4

May 2011



Copenhagen Research Group on International Taxation
Tax Research for the Business Community



It is our pleasure to present the fourth issue of the newsletter of the Copenhagen Research Group on International Taxation (CORIT).

The newsletter contains recent publications regarding international tax law and valuable information from CORIT. We continue to invite you to share information with the CORIT group and you are most welcome to propose articles or other material for a future newsletter. Please submit such items to Jakob Bundgaard at jbu@mwblaw.dk.

1. CORIT admitted to the OECD International Network for Tax Research.

It is with great pride CORIT has accepted to become a member of the prestigious OECD Network for Tax Research where we join forces with such distinguished institutions as e.g. Harvard Law School, Cambridge University and Oxford University. See www.intrweb.org.

ORGANISATION
FOR ECONOMIC
CO-OPERATION
AND DEVELOPMENT



The International Network for Tax Research ("INTR") was launched in July 2005 by a group of academics and research institutions with the OECD Centre for Tax Policy and Administration. The unique role of the INTR will develop through the following features:

- Two way exchanges of information between the OECD CTPA and research institutions including:
 - Early access for INTR members to information on OECD programme of work and emerging topics on the agenda
 - Access to statistical information
 - INTR research impact on public policies through global communication of results
 - OECD benefit from independent input on issues which are / should be / will be on its work programme.
- A global focus including input from developing as well as developed countries.
- Emphasis on research projects that:
 - take into account on-going work programmes
 - would benefit from comparative analyses
 - would have an impact on the formulation of public policies in OECD member countries and non OECD Economies
- A multidisciplinary approach including tax lawyers (international and domestic), economists, accountants, tax administrators and those working in related areas.

The INTR is an informal research network. It will primarily:

- Provide a tool for information gathering:
- Produce "state of the art" types of papers that take stock of where tax research in a particular area is, and what future directions might be,
- Identify new topics for research as well as collaboration opportunities among members,
- Help coordinate research efforts among interested participants on INTR topics,
- Produce research papers for publication where appropriate, and

- Organize regular conferences on specific topics (e.g., presentation of outlines, drafts and final drafts of projects).

2. New Corporate Partner:

COPENHAGEN ECONOMICS

Copenhagen Economics (CE) has been approved as a new CORIT corporate partner. Going forward CE will provide publications for CORIT and initiate joint seminars etc. CE advise companies, authorities and policy makers where market meets regulation and conflicts arise. CE advise their private and public clients on regulatory management, including design issues as well as understanding the impact of new policies. A very wide range of regulatory policies involves the use of taxes and subsidies. CE helps clients over a wide range of fields from support to RD policies to reform of VAT systems. CE has a particular focus on tax issues with an international aspect such as taxing financial services, companies, capital income, household savings etc.

Partner Helge Sigurd Næss-Schmidt is responsible for the CORIT relationship within CE. See the following link for contact details: <http://www.copenhageneconomics.com/Expertise/Public-Finance---Tax.aspx>

3. Ph.D. in International Transfer Pricing in Theory and Practice

On March 10th 2011, Christian Plesner Rossing, Copenhagen Business School/CORIT, successfully defended his Ph.D-thesis entitled: International Transfer Pricing in Theory and Practice. The dissertation consist of a literature review and three empirical papers, illustrating the way management control and cost accounting systems can be designed for transfer pricing tax compliance purposes in the MNE. Christian will continue in academia and do further research on international transfer pricing,

integrating the accounting and taxation discipline. If you are interested in the dissertation or research/teaching collaboration, Christian can be contacted at cro.acc@cbs.dk

4. International CORIT activities

During the spring semester 2011 (December 2010-June 2011) Katja Joo Dyppel is visiting New York University School of Law to conduct research for her Ph.D.-thesis on the taxation of derivatives. The visit has become possible due to the kind hospitality of Professor David Rosenbloom, Director of the International Tax Program at NYU School of Law, who has provided full access to the library, seminars and shared his office in Vanderbilt Hall. This is greatly appreciated and hopefully CORIT and NYU School of Law develop this relationship further in the coming years.

Also in the spring semester 2011 Michael Tell is a visiting scholar of UC Berkeley in California. Michael is enrolled under the Visiting Scholar program to conduct research for his thesis on interest deduction limitation rules.

5. New publications

5.1. Tax Planning and Beneficial Ownership

- [Denmark offers unique opportunities as a holding company location, January 2011 by Jakob Bundgaard and Katja Joo Dyppel. Annex: Table A.](#)
- [Tax Notes international, 10 January 2011: The Tax-Efficient Supply Chain: Considerations for Multinationals by Stuart Webber.](#)
- [Skat Udland, December 2010 \(Danish\): Beneficial ownership - nyt nederlag og skærpede regler på vej by Jakob Bundgaard.](#)

- [Skat Udland, February 2011 \(Danish\): Beneficial Ownership - nu en reel bestanddel af dansk skatteret by Jakob Bundgaard.](#)
- [Discussion paper no. 9, 2010, Escaping the U.S. Tax System: From Corporate Inversions to Re-domiciling by Stuart Webber.](#)

5.2.Thin Capitalization

- [Tax Notes International, 29 November 2010: Thin Capitalization and Interest Deduction Rules: A Worldwide Survey by Stuart Webber.](#)
- [Tidsskrift for Skatter og Afgifter, 2 February 2011 \(Danish\): Udviklingslinjer i praksis om tynd kapitalisering by Jakob Bundgaard and Michael Tell.](#)

5.3.Hybrid financial instruments and derivatives

- [Intertax 2010, no. 12: Profit Participation Loans in International Tax Law by Jakob Bundgaard and Katja Joo Dyppel.](#)
- [Tidsskrift for Skatter og Afgifter, 24 November 2010 \(Danish\): Lager- eller realisationsbeskatning af finansielle kontrakter - TfS 2010, 629 Ø en domskommentar by Katja Joo Dyppel.](#)
- [Berlingske Tidende, 21 March 2011 \(Danish\): Små og mellemstore virksomheder har behov for andre finansieringsformer by Mette Neville and Jakob Bundgaard.](#)
- [Festskrift til Jan Pedersen \(Danish\): Finansiell innovation som skatteretlig udfordring by Jakob Bundgaard.](#)

5.4. Transfer pricing

- [IFA 2011 Cross Border Business Restructuring - Danish Branch Report by Jakob Bundgaard and Jens Wittendorff.](#)
- [Tax Notes International, April 18 2011: The Arm's-Length Principle and Fair Value: Identical Twins or Just Close Relatives? by Jens Wittendorff.](#)

5.5. Tax Treaties

- [Tax Notes International, 21 February 2011: Selected Issues in the Denmark-U.S. Tax Treaty by Kim David Lexner.](#)

5.6. Renewable Energy and Cleantech

- [Tax Notes International, 14 February 2011: Denmark's Tax Incentive to Promote Renewable Energy by Jakob Bundgaard and Kim David Lexner.](#)
- [Revision & Regnskabsvæsen no. 2 2011 \(Danish\): Nyt om skat og vedvarende energi og cleantech by Jakob Bundgaard.](#)

5.7. Common Consolidated Corporate Tax Base (CCCTB)

- [Discussion paper no. 10, 2011 \(Danish\), CCCTB - Europa Kommissionens direktivforslag om en konsolideret selskabsskattebase by Peter Koerver Schmidt and Jakob Bundgaard.](#)

6. Upcoming events

- 1. June 2011, at 13:00: Jakob Bundgaard lectures at Aalborg University on Tax Aspects of Private Equity Funds.

- 7th June 2011: Jakob Bundgaard acts as the chairman of the assessment committee in the public defence of Anders Nørgaard Laursen's thesis on Permanent Establishments in international tax law with specific reference to article 5 of the OECD Model Convention. The public defence is held at Aarhus University. See www.au.dk or www.asb.dk
- 10th November, 2011: Jakob Bundgaard lectures on Danish experiences with beneficial ownership at the Nordic Tax Conference in Stockholm, 10-11. November 2011: <http://www.nordiclawyersacademy.com>

7. Book Series on International Tax Law



[Private Equity Funds in Domestic and International Tax Law \(Danish\) by Jakob Bundgaard, Ex Tuto 2010.](#)

Please visit www.corit.dk to read and download more publications.

On behalf of CORIT



Jakob Bundgaard and Michael Tell

The CORIT newsletter is issued quarterly. News, publications etc. are uploaded on a weekly basis to the website. To unsubscribe the CORIT newsletter, please go to www.corit.dk