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Annual Conference Scottsdale, AZ

Modeling Transfer Pricing Risk
in these Uncertain Times

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Agenda

- Why Now?
- What does Modeling TP risk mean?
- Fact Gathering – pre and post Documentation
- Documentation and Comparables Risk
- ASC 740/FIN 48 Challenges
- Looking Forward – 2023 and beyond

Why Now?

- TP Risk greater than ever before
- How to view TP risks
 - COVID/Economic Downturn/Inflation
- ETR calculation risks
- What if calculations are wrong?

What does
Modeling
TP Risk
mean?

- How do you define TP risks
- Impact of recent court and OECD developments
- Role of data mining
- Penalty and Adjustment risks

Fact Gathering –
pre and post
Documentation

- Importance of telling the Company's story
- Deficiencies targeted by tax authorities
- Identifying existing deficiencies before your auditors and tax authorities review

Documentation and Comparables Risk

- Is your TP Documentation sufficient?
- IRS/Foreign Tax Authority perspective on Best Method Analysis
- Role of Transactional/Profit-based Comparables
- Pandemic impacts on your Comparables
- What can you adjust for comparable risks

ASC 740/
FIN 48
Challenges

- Your Auditor's Perspective
- The Tax Authority's Perspective
- To Reserve or Not Reserve?

Looking
Forward –
2022, 2023
and beyond

- What to do before year-end to lower risks
- Proactive price setting for 2023
- TP Planning
- APA and other arrangements



Questions?

