

# Corporate and International Tax

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We are Baker Tilly. Global providers of assurance, tax, consulting, and advisory services.

Our 34,000 people, in nearly 800 offices, across 145 territories serve clients of every sector and size who look to us for the insights needed to accelerate their growth.

At Baker Tilly, we are ready now, for tomorrow's challenges. We believe in the power of great relationships. We lead and listen for great conversations. We channel change into progress for great futures.

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# Corporate and international tax

**Businesses trading internationally will often have an exposure to corporate tax liabilities in several different jurisdictions and an essential requirement for managing the group's global effective tax rate and cost efficiently is to outsource this work to a skilled and experienced corporate tax team in each location.**

For many businesses in this situation a practical alternative to employing their own tax personnel in each of the territories concerned is instead to outsource the work to high quality local firms of accountants and tax advisers with the necessary expertise.

In the Baker Tilly network we have member firms in more than 140 locations, including in all of the world's major economies. Our member firms have partners, directors and staff operating across a wide range of professional disciplines, including in the complex and challenging field of corporate tax.

Our local specialists in corporate tax bring to each client assignment a thorough knowledge of tax law and practice in their location, extensive experience of guiding businesses safely through their compliance obligations and a proactive approach to giving constructive advice to businesses regarding maximising available tax reliefs and opportunities, thereby managing effectively their corporate tax costs.

For trading groups with operations in a number of territories, outsourcing their corporate tax requirements to local Baker Tilly network firms with international corporate tax expertise can be a move to greater efficiency and profitability.

## **Here are some of the ways in which we can help:**

- Assisting with cross border and local tax compliance
- Dealing with national tax authorities
- Maximising tax reliefs
- Advising on cross border and local transactions
- Implementing and managing tax efficient international structures.



**“Leading to a more  
efficient and cost effective  
approach for clients”**

## **Assisting with cross border and local tax compliance**

**Efficient corporate tax management for international businesses in any jurisdiction begins with a thorough knowledge of the obligations with which businesses must comply regarding filing tax returns and the payment of tax liabilities.**

Baker Tilly network firms keep their clients informed when information is needed for completing tax returns and other declarations, advising proactively when tax payments are due. In a world where ‘cash is king’, this means the wastage of funds is minimised in terms of penalties for late submissions and interest being levied at excessive rates due to late payments.

In preparing tax returns for clients our member firms use the most pragmatic solution which often involved utilising the most modern computer software available, ensuring a cost efficient service and a high quality finished product.

In most locations there is just the one return required each year for the national tax authority. Where local tax rules are structured so that federal and local tax requirements exist, the situation is more complex and a business can find itself having to file both a federal tax return and a state or province tax return, and even in some cases a city tax return. Baker Tilly network firms in such jurisdictions typically provide office representation in each state or province, so they can supply a multiple tax return preparation service where this is required. Thus leading to a more efficient and cost effective approach for clients.

## **Dealing with national tax authorities**

**International businesses which have a taxable presence in a number of territories and which outsource to local firms of accountants and business advisers the management of their corporate tax affairs in those locations, will wish to be confident that their representatives have the necessary authority and experience to deal fairly but robustly on their behalf with the national tax authority and where appropriate with regional tax authorities.**

Looking after the corporate tax affairs of a sizeable business rarely remains for long a matter of just completing tax returns. Contact with national tax authorities can come about in a number of ways, for example if there is a need to obtain an advance ruling on the tax treatment of a proposed transaction, or in supplying information which is supplementary to a return, or in vigorously supporting a client's position if a tax dispute arises.

Baker Tilly network firms have an established reputation for excellence. They are known and respected by the tax revenue authorities they come into contact with and for businesses operating internationally, they are the ideal representative when it comes to personal contacts with tax officials.

# Maximising tax reliefs

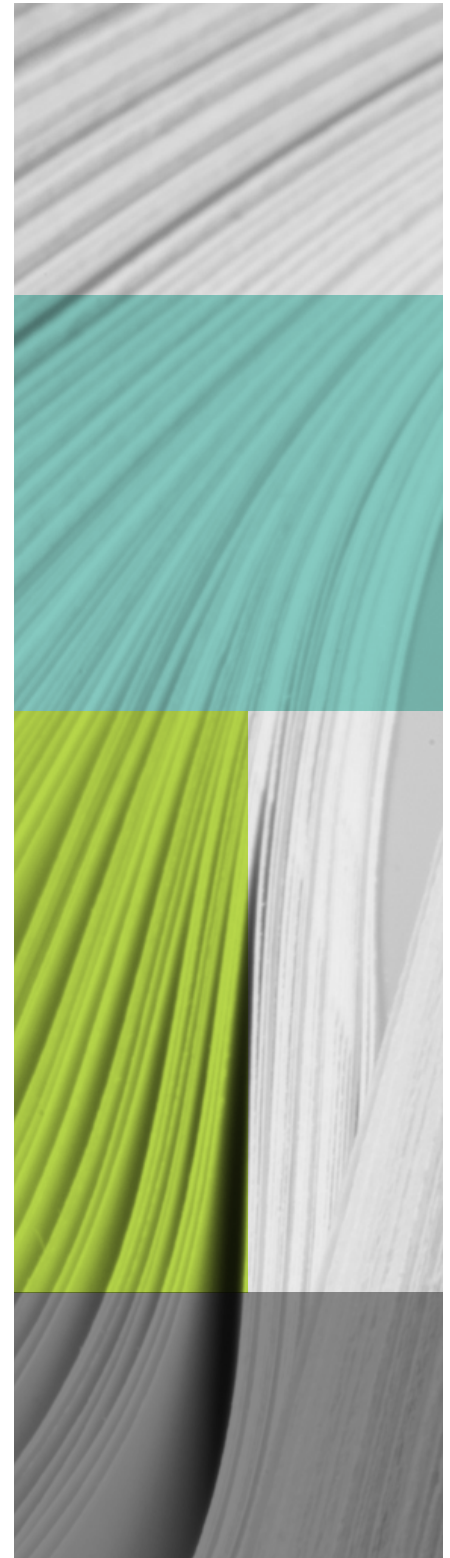
**The key to mitigating corporate tax liabilities for international businesses in the territories in which they operate is to take full advantage of the special tax reliefs which each jurisdiction currently offers as a means to returning maximum stakeholder value.**

These special tax reliefs differ from location to location and they also change over time. Accordingly, specialist local knowledge is essential to ensure that full advantage is taken of all opportunities which arise and that all available tax breaks are utilised.

Multinational groups which have Baker Tilly network firms attending to their corporate tax affairs worldwide have the local firms assurance that they will be kept fully informed of all opportunities regarding tax reliefs.

Depending on the territory concerned, the following are just some of the factors which might apply:

- Enhanced deductions for research and development expenditure
- Accelerated depreciation relief for plant and machinery purchases
- Reduced tax rates for public services and infrastructure projects
- Tax holidays for defined periods for technologically innovative production
- Reduced tax rates for patent or intellectual property income
- Tax exemption for international headquarters operations
- Relief for deemed interest costs on reinvested profits
- Tax incentives to set up in economically deprived areas
- Industry specific enhanced tax reliefs, for example in agriculture, shipping and tourism.



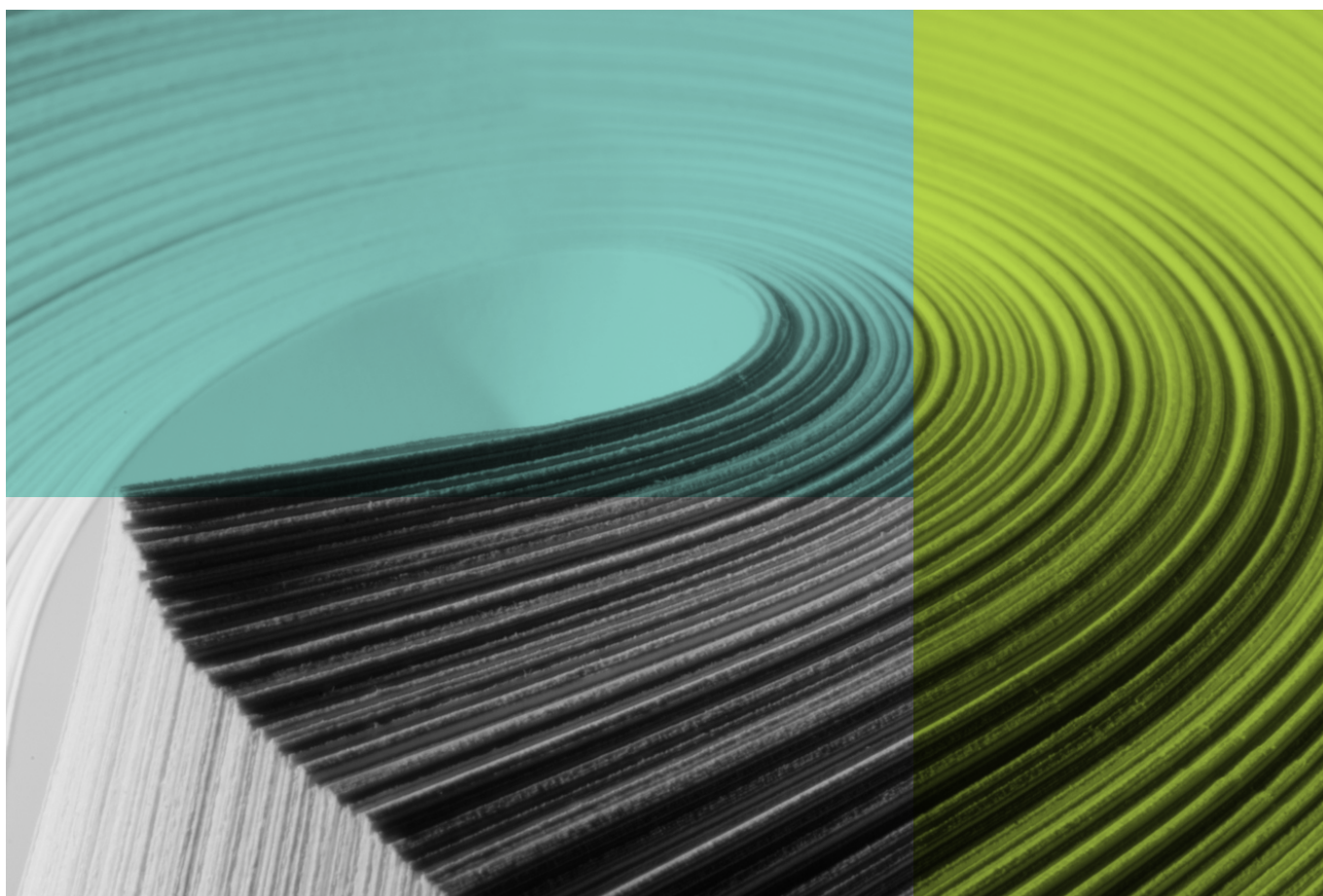
## Advising on cross border and local transactions

For international businesses it is rare that circumstances or operations remain the same for very long. The constant strive for economic growth in a competitive, ever-changing business environment, means that there is a constant need to monitor and develop a profitable presence in each of the locations in which they trade.

Growth can be organic and it can come through acquisitions, sometimes of companies, sometimes of trading divisions. Alternatively a merger with another business may be the best way forward. Strategic disposals could also be the right course of action from time to time, either of a group company or of a trading division.

Throughout all of the changes there is a compelling need for the business which trades internationally to have access to highly trained tax specialists readily available in each location.

Baker Tilly network firms across the globe have vast experience of counselling businesses through the tax implications of restructurings, acquisitions, mergers and disposals, of carrying out due diligence investigations where this is appropriate and of advising on the most tax efficient means of completing a planned transaction.



**“Ensuring accurate tax advice is obtained in a timely fashion is vital when implementing and managing a global tax strategy.”**

## **Implementing and managing tax efficient international structures**

**In order to return maximum value to shareholders and stakeholders, businesses must manage their tax cost just like any other cost.**

When structuring international operations across the globe, numerous opportunities exist to manage the overall cost of a structure. However ensuring accurate tax advice is obtained in a timely fashion is vital when implementing and managing a global tax strategy.

It is also important to fully understand any tax risks associated with a proposed international structure, especially as tax rules are subject to regular change, either laterally at a government level or bilaterally through organisations such as the Organisation for Economic Co-operation and Development (OECD).

Baker Tilly network firms have the relevant expertise to assist international businesses implement and manage international structures, while ensuring the tax risks are understood and mitigated, while any tax opportunities are considered and exploited where feasible and within the boundaries of local tax legislation.





## Contacts

Below you will find the contact details for our Baker Tilly International regional directors, who can evaluate your specific requirements and ensure a tailored tax team are brought together to meet your needs:

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Alternatively, to locate your nearest member firm visit [bakertilly.global](https://www.bakertilly.global).

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