

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

TRANSFER PRICING

UNCTAD Series
on issues in international investment agreements



UNITED NATIONS
New York and Geneva, 1999

NOTE

UNCTAD serves as the focal point within the United Nations Secretariat for all matters related to foreign direct investment and transnational corporations. In the past, the Programme on Transnational Corporations was carried out by the United Nations Centre on Transnational Corporations (1975-1992) and the Transnational Corporations and Management Division of the United Nations Department of Economic and Social Development (1992-1993). In 1993, the Programme was transferred to the United Nations Conference on Trade and Development. UNCTAD seeks to further the understanding of the nature of transnational corporations and their contribution to development and to create an enabling environment for international investment and enterprise development. UNCTAD's work is carried out through intergovernmental deliberations, research and analysis, technical assistance activities, seminars, workshops and conferences.

The term "country" as used in this study also refers, as appropriate, to territories or areas; the designations employed and the presentation of the material do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. In addition, the designations of country groups are intended solely for statistical or analytical convenience and do not necessarily express a judgement about the stage of development reached by a particular country or area in the development process.

The following symbols have been used in the tables:

Two dots (..) indicate that data are not available or are not separately reported. Rows in tables have been omitted in those cases where no data are available for any of the elements in the row;

A dash (-) indicates that the item is equal to zero or its value is negligible;

A blank in a table indicates that the item is not applicable;

A slash (/) between dates representing years, e.g. 1994/95, indicates a financial year;

Use of a hyphen (-) between dates representing years, e.g. 1994-1995, signifies the full period involved, including the beginning and end years.

Reference to "dollars" (\$) means United States dollars, unless otherwise indicated.

Annual rates of growth or change, unless otherwise stated, refer to annual compound rates.

Details and percentages in tables do not necessarily add to totals because of rounding.

The material contained in this study may be freely quoted with appropriate acknowledgement.

UNCTAD/ITE/IIT/11 (vol. I)

UNITED NATIONS PUBLICATION

Sales No. E.99.II.D.8

ISBN 92-1-112447-6

Copyright © United Nations, 1999
All rights reserved

IIA Issues Paper Series

The main purpose of the UNCTAD Series on issues in international investment agreements is to address key concepts and issues relevant to international investment agreements and to present them in a manner that is easily accessible to end-users. The series covers the following topics:

- Admission and establishment
- Competition
- Dispute settlement (investor-State)
- Dispute settlement (State-State)
- Employment
- Environment
- Fair and equitable treatment
- Foreign direct investment and development
- Funds transfer
- Home country measures
- Host country operational measures
- Illicit payments
- Incentives
- Investment-related trade measures
- Lessons from the Uruguay Round
- Modalities and implementation issues
- Most-favoured-nation treatment
- National treatment
- Present international arrangements for foreign direct investment:
 - an overview
- Scope and definition
- Social responsibility
- State contracts
- Taking of property
- Taxation
- Transfer of technology
- Transfer pricing
- Transparency

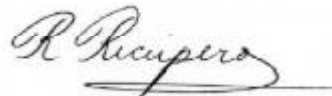
Preface

The United Nations Conference on Trade and Development (UNCTAD) is implementing a work programme on a possible multilateral framework on investment, with a view towards assisting developing countries to participate as effectively as possible in international investment rule-making at the bilateral, regional, plurilateral and multilateral levels. The programme embraces capacity-building seminars, regional symposia, training courses, dialogues between negotiators and groups of civil society and the preparation of a series of issues papers.

This paper is part of this series. It is addressed to government officials, corporate executives, representatives of non-governmental organizations, officials of international agencies and researchers. The series seeks to provide balanced analyses of issues that may arise in discussions about international investment agreements. Each study may be read by itself, independently of the others. Since, however, the issues treated closely interact with one another, the studies pay particular attention to such interactions.

The series is produced by a team led by Karl P. Sauvant and Pedro Roffe, and including Victoria Aranda, Anna Joubin-Bret, John Gara, Assad Omer, Jörg Weber and Ruvan de Alwis, under the overall direction of Lynn K. Mytelka; its principal advisors are Arghyrios A. Fatouros, Peter T. Muchlinski and Sanjaya Lall. The present paper is based on a manuscript prepared by Susan Borkowski. The final version reflects comments received from Antonio Carlos Rodrigues do Amaral, Dali Bouzora, Bernard Damsma, Sylvain Plasschaert and Constantine Vaitzos. The paper was desktop published by Teresita Sabico.

Funds for UNCTAD's work programme on a possible multilateral framework on investment have so far been received from Australia, Brazil, Canada, the Netherlands, Norway, Switzerland, the United Kingdom and the European Commission. Countries such as India, Morocco and Peru have also contributed to the work programme by hosting regional symposia. All of these contributions are gratefully acknowledged.



Rubens Ricupero
Secretary-General of UNCTAD

Geneva, February 1999

Table of contents

	Page
Preface	v
Executive summary	1
INTRODUCTION	3
I. EXPLANATION OF THE ISSUE	7
A. Transfer pricing in transnational corporations	7
B. Transfer pricing methods in tax regulation	8
1. Transactional methods	10
2. Transactional profit methods	11
3. Formulary apportionment methods	11
C. Cost-sharing arrangements	12
D. Advance pricing agreements	12
II. STOCKTAKING AND ANALYSIS	15
A. Transfer pricing legislation: a historical perspective	15
B. Status of related tax treaty articles	18
1. The application of the arm's-length principle	19
2. Deterrence of "treaty shopping"	20
3. Exchange of information	20
C. Status of arbitration venues	21
D. Potential conflicts around procedural issues	22

	Page
III. INTERACTION WITH OTHER ISSUES AND CONCEPTS	25
CONCLUSION: ECONOMIC AND DEVELOPMENT IMPLICATIONS AND POLICY OPTIONS.....	29
A. Issues	29
1. Deficiencies in transfer pricing legislation	29
2. Income shifting	31
3. Repatriation of profits	32
4. Double taxation of profits	32
5. Customs valuations	34
6. Cost sharing	35
7. Tax havens	36
8. Advance pricing agreements	36
B. Enhancing the development dimension	37
References	45
Selected UNCTAD publications on transnational corporations and foreign direct investment.....	51
Questionnaire	59

Boxes

1. How income can be shifted across borders	4
2. Applying the arm's length principle to taxation	9

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_11088

