



### MESSAGE OF THE CHAIRMAN, CITAX, ICAI



Dear Members,

As a subject, international taxation is growing in importance and I was quite pleasantly surprised to hear the Honourable President of the ITAT, Shri G.D Agarwal mention that nearly 50% of the cases before the ITAT relate to international taxation. Further while the number of international tax practitioners has increased over the years, we still have a dearth of experts in this area.

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### MESSAGE OF THE VICE-CHAIRMAN, CITAX, ICAI



Dear Professional Colleagues,

With the developments taking place in the area of international taxation, it is imperative for our members to be well equipped with the latest developments. Time and again, the Committee on International Taxation of ICAI has been taking various initiatives to equip its members with knowledge in the domain of International Taxation.

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## JUDICIAL PRONOUNCEMENTS

### I. INTERNATIONAL TAXATION

1. Authority for advance ruling (AAR) rules on fixed permanent establishment (PE) and disposal test in a service arrangement and held that Applicant had a fixed PE in terms of the on-site space provided to store its equipments -*Production Resource Group (401 ITR 256)* [Read More >>](#)
2. Hon. Delhi High Court holds that in case of conflict between the tax rate prescribed in section 206AA of the Income Tax Act and in a tax treaty, the tax treaty rate would apply- *Danisco India Private Limited vs. UOI (90 taxmann.com 295) (Delhi HC)* [Read More >>](#)
3. Fees received by a Dubai branch of taxpayer (a swiss company) from an Indian company for referring an Indian resident client is in nature of commission to be taxed as business income and not as fees for technical services- *DCIT vs. Credit Suisse AG (90 taxmann.com 181) (Mumbai ITAT)* [Read More >>](#)
4. Vessels engaged in seismic surveys on the high seas, in connection with the exploration of mineral oil/natural resources, constitutes fixed place PE under the India-UAE tax treaty-*SeaBird Exploration FZ LLC (A.A.R. No 1295 of 2012)* [Read More >>](#)
5. Fees received for domain name registration are taxable as royalty under section 9(1)(Vi) of the Income Tax Act- *Godaddy.com LLC v. ACIT (ITA No. 1878/Del/2017) (Delhi ITAT)* [Read More >>](#)

### MEMBERS OF COMMITTEE ON INTERNATIONAL TAXATION

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- CA. Harsh Mohan Gupta
- CA. Gaurav Jain
- Shri Pramod Kumar
- CA Surabhi Agarwal
- CA. Madhavi Mandovra



6. Payment made by assessee to a foreign company for accessing its database and downloading readily available information was not in nature of 'Royalty' under section 9(1)(vi) as well as under article 12(3) of India-Singapore DTAA- *Mc Kinsey Knowledge Centre India (P.) Ltd. v ITO* (92 taxmann.com 226) (Delhi ITAT) [Read More >>](#)
7. Mere rendering of services involving technical knowledge, skill etc. is not sufficient to classify it as Fees for Technical Services (FTS); it contemplates that person utilizing service should be able to make use of such technical knowledge, skill etc. on his own and without recourse to service provider in future-*ACIT v Petronet LNG Ltd.* (92 taxmann.com 407) (Delhi ITAT) [Read More >>](#)

## II. TRANSFER PRICING

1. Action of the AO of making reference to the TPO without giving any opportunity of being heard to assessee will not be considered as violation of the provisions of section 92CA of the I.T. Act- *Omni Active Health Technologies Limited vs. DCIT* (I.T.A. Nos.638 & 4643/Mum/2017) (Mumbai ITAT) [Read More >>](#)
2. Transfer Pricing Officer's (TPO) role is to determine the arm's length price (ALP) of the transactions undertaken by the assessee. He cannot comment on the commercial wisdom of undertaking the transaction-*Eaton Fluid Power Ltd. v ACIT* (Pune ITAT) (92 taxmann.com 158) [Read More >>](#)

## REGULATORY DEVELOPMENTS

- [Paraguay joins international efforts against tax evasion and avoidance 29.05.2018- Source: OECD.org](#)
- [Peru to join two major OECD Conventions: Anti-Bribery Convention and multilateral Convention on Mutual Administrative Assistance in Tax Matters-28.05.2018- Source: OECD.org](#)
- [UN Model Tax Convention – 2017-Update- Source: www.un.org](#)
- [United Nations Handbook on Selected Issues for Taxation of the Extractive Industries by Developing Countries- Source: www.un.org](#)
- [OECD releases decisions on 11 preferential regimes of BEPS Inclusive Framework Members- 17.05.2018 Source: OECD.org](#)
- [The United Arab Emirates joins the Inclusive Framework on BEPS- 16.05.2018 Source: OECD.org](#)
- [Bahrain joins the Inclusive Framework on BEPS- 09.05.2018 Source: OECD.org](#)
- [OECD invites public comments on the scope of the future revision of Chapter IV \(administrative approaches\) and Chapter VII \(intra-group services\) of the Transfer Pricing Guidelines-09.05.2018 Source: OECD.org](#)
- [Saint Lucia joins the Inclusive Framework on BEPS- 09.05.2018 Source: OECD.org](#)
- [CBDT notifies the Protocol amending the Double Taxation Avoidance Agreement \(DTAA\) between India and Kuwait – Press release dated 07.05.2018 Source: ITD](#)
- [CBDT achieves another milestone by signing its 200th UAPA in April, 2018- 03.05.2018 Source: OECD.org](#)
- [Workers in OECD countries pay one quarter of wages in taxes- 26.04.2018 Source: OECD.org](#)
- [OECD to release Taxing Wages 2018 on Thursday 26 April - 19.04.2018 Source: OECD.org](#)
- [OECD addresses the misuse of residence/citizenship by investment schemes- 19.04.2018 Source: OECD.org](#)



# COMMITTEE ON INTERNATIONAL TAXATION

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

- [OECD and IGF invite comments on a draft practice note that will help developing countries address profit shifting from their mining sectors via excessive interest deductions- 18.04.2018 Source: OECD](#)
- [CBDT notifies the Protocol amending the Double Taxation Avoidance Convention \(DTAC\) between India and Kazakhstan- 13.04.2018 Source: ITD](#)
- [Better design of taxes on personal savings and wealth is needed to support inclusive growth- 12.04.2018 Source: OECD.org](#)
- [Draft notification proposing an amendment to rule 44E, Form 34C, 34D and 34DA as per BEPS action item 5, for improving transparency in relation to tax rulings– comments and suggestions-reg- 10.04.2018 Source: ITD](#)
- [OECD releases 14 additional country profiles containing key aspects of transfer pricing legislation- 9.04.2018 Source: OECD.org](#)
- [Enhancing the taxation of personal savings and wealth to support more inclusive growth -6.04.2018 Source: OECD.org](#)
- [CBDT notifies Income Tax Return Forms for Assessment Year 2018-19- Press release dated 5.04.2018 Source: ITD](#)
- [Global network for the automatic exchange of offshore account information continues to grow; OECD releases new edition of the CRS Implementation Handbook - 5.04.2018 Source: OECD.org](#)
- [Global Forum issues tax transparency compliance ratings for nine jurisdictions as membership rises to 150 - 4.04.2018 Source: OECD.org](#)
- [High-level meeting on fiscal relations across levels of government in New Delhi - 4.04.2018 Source: OECD.org](#)
- [Latin America and the Caribbean: Tax revenues expected to recover after dip in 2016- 27.03.2018 Source: OECD.org](#)
- [CBDT issues clarification regarding requirement for furnishing of Country-by Country report under section 286\(4\) of IT Act, 1961- 23.03.2018 Source: ITD](#)
- [OECD releases additional guidance on the attribution of profits to a permanent establishment under BEPS Action 7- 22.03.2018 Source: OECD.org](#)
- [Milestone in BEPS implementation: Multilateral BEPS Convention will enter into force on 1 July following Slovenia's ratification-22.03.2018 Source: OECD.org](#)
- [Digital Taxation: Commission proposes new measures to ensure that all companies pay fair tax in the EU- Press release dated 21.03.2018 Source: European Commission](#)
- [OECD tax report to G20 Finance Ministers-20.03.2018 Source: OECD.org](#)
- [India and Hong Kong sign Double Taxation Avoidance Agreement\(DTAA\)- Press release dated 19.03.2018 Source: ITD](#)
- [OECD Tax Talks: Save the date and register now-16.03.2018 Source: OECD.org](#)
- [OECD releases third round of peer reviews on implementation of BEPS minimum standards on improving tax dispute resolution mechanisms and calls for taxpayer input for the fifth round- 12.03.2018 Source: OECD.org](#)
- [Game over for CRS avoidance! OECD adopts tax disclosure rules for advisors- 9.03.2018 Source: OECD.org](#)
- [CBDT achieves important milestone of 200 APAs!- Press release dated 1.03.2018 Source: ITD](#)
- [OECD and Brazil launch project to examine differences in cross-border tax rules – 28.2.2018 Source: OECD.org](#)
- [Loss Carryover Provisions: Measuring Effects on Tax Symmetry and Automatic Stabilisation- 22.2.2018 Source: OECD.org](#)
- [Agreement between the Government of India and the Government of the Republic of Kenya for the avoidance of Double taxation and the prevention of Fiscal evasion with respect to taxes on Income - Notification No. 11/2018 dated 19.2.2018 Source: ITD](#)
- [Serbia joins the Inclusive Framework on BEPS- 19.2.2018 Source: OECD.org](#)
- [OECD releases consultation document on misuse of residence by investment schemes to circumvent the Common Reporting Standard-19.2.2018 Source: OECD.org](#)
- [Statutory tax rates on dividends, interest and capital gains: The debt equity bias at the personal level-15.2.2018 Source: OECD.org](#)
- [Explanatory Notes to the provisions of the Finance Act, 2017- 15.2.2018 Source: ITD](#)
- [Governments should make better use of energy taxation to address climate change-14.2.2018 Source: OECD.org](#)
- [Countries must strengthen tax systems to meet Sustainable Development Goals-14.2.2018 Source: OECD.org](#)



# COMMITTEE ON INTERNATIONAL TAXATION

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)



## I. KNOWLEDGE SHARING THROUGH WEBCASTS

- [Click here to watch webcast on various topics on International Taxation](#)

## II. E-LEARNING MODULES

- [An Overview of International Taxation \(2017\)](#)
- [An Overview of Transfer Pricing \(2017\)](#)
- [Base Erosion and Profit Shifting \(excluding Action Plans 8-10 and 13\) and Multilateral instruments](#)
- [Base Erosion and Profit Shifting \(Action Plans 8-10\)](#)
- [Transfer Pricing Documentation and Drafting \(including BEPS Action plan 13\)](#)

## III. DIPLOMA IN INTERNATIONAL TAXATION

- [Post Qualification Diploma in International Taxation](#)

## IV. CERTIFICATE COURSE ON INTERNATIONAL TAXATION- DISCONTINUED

- [Transition Scheme for Registrants of Certificate Course on International Taxation who are Interested in Pursuing Post Qualification Diploma in International Taxation](#)

## V. PUBLICATIONS OF COMMITTEE ON INTERNATIONAL TAXATION

- [Technical Guide on Royalty and Fees for Technical Services \(Revised 2018\)](#)
- [Guidance Note on Report Under Section 92E of The Income-tax Act, 1961 \(Transfer Pricing\) \(Revised 2017\)](#)
- [Technical Guide on Expatriates Taxation - \(Revised 2017\)](#)
- [Aspects of International Taxation - A Study \(Revised 2016\)](#)
- [Taxation of Non - Residents](#)

## VI IMPORTANT LINKS

- [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)
- [www.indiabudget.nic.in](http://www.indiabudget.nic.in)
- [www.finmin.nic.in](http://www.finmin.nic.in)
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- <http://www.oecd.org/tax/>
- [http://www.icaai.org/new\\_category.html?c\\_id=241](http://www.icaai.org/new_category.html?c_id=241)

## ALL INDIA MERIT HOLDERS INTERNATIONAL TAXATION ASSESSMENT TEST- NOVEMBER, 2017

<b>First Rank Holder</b>	<b>CA. Smruthy V, Chennai</b> , is an Associate member of the Institute. She has secured FIRST RANK in all India merit list in the November, 2017 International taxation-Assessment test (INTT AT). The Committee on International Taxation congratulates her on her success and wishes good luck for all her future endeavours.
<b>Second Rank Holder</b>	<b>S M Khaja Muyeenuddin, Chennai</b> , is a Fellow member of the Institute. He has secured SECOND RANK in all India merit list in the November, 2017 International taxation-Assessment test (INTT AT). The Committee on International Taxation congratulates him on his success and wishes good luck for all his future endeavours.
<b>Second Rank holder</b>	<b>Naveen Kumar R, Chennai</b> is an Associate member of the Institute. He has also secured SECOND RANK in all India merit list in the November, 2017 International taxation-Assessment test (INTT AT). The Committee on International Taxation congratulates him on his success and wishes good luck for all his future endeavours.
<b>Third Rank holder</b>	<b>Bhogeswara Rao Murugudu, Hyderabad</b> is an Associate member of the Institute. He has secured THIRD RANK in all India merit list in the November, 2017 International taxation-Assessment test (INTT AT). The Committee on International Taxation congratulates him on his success and wishes good luck for all his future endeavours.

Secretariat

## Committee on International Taxation

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