



Transfer Pricing Services

Integrated planning for global growth

Conduct your business with a sound, defensible cross-border transaction policy

Do you have transfer pricing documentation?

Are you getting the maximum benefit out of your transfer pricing policy?

Transfer pricing can be one of the most significant issue for domestic and multinational corporations conducting cross-state or international transactions. Regulations vary by jurisdiction and transaction type, and tax authorities worldwide are keen on ensuring their fair share of global tax revenues. The risk of being challenged on transfer pricing practices is an all-too-present reality.

While the penalties can be steep for organizations failing to fulfill the required standards, transfer pricing represents an opportunity. RSM believes transfer pricing can be a tool to help manage your tax exposure, maximize business opportunities and, where appropriate, identify your optimal tax structure.

In today's global economy, opportunities surface everywhere - to manage costs by globalizing production, to boost revenue by penetrating new markets, and to increase efficiencies by streamlining supply chains. Along with global opportunities, however, come global tax concerns. How you apportion your income and expenses among the varying jurisdictions in which you operate directly affects your global effective tax rate-and your bottom line.

At RSM, we understand. We've been helping companies like yours manage their transfer pricing concerns in markets around the world for decades. Whatever your industry, wherever you operate, we have the experience and resources to help you plan, implement and maintain proactive transfer pricing strategies that take full advantage of your planning opportunities and effectively control your compliance risks. From documentation to cost-sharing arrangements, our team of accountants and economists stands ready to help you capitalize on a world of opportunity.

Each company's story is unique. At RSM, we're committed to understanding more than just the technical tax and economic issues that frame your transfer pricing challenges. We're committed to understanding you-your business, your strategy, your definition of success. And we're committed to tailoring a solution that supports that vision today and into the future. We measure our success by how well we help you reach yours.

This is RSM. This is the power of being understood.

CHALLENGES

Sanity check & stress tests

- Impact of BEPS requirements on my organization
- Not properly planned growth of my business
- Burden of increased compliance requirements

Planning & Implementation

- Structure adjustment to meet business objectives and tax optimization
- Supply chain efficiencies and cost effectiveness achievement
- Entering in new markets, buying new company
- Dealing with service or financing transactions

Documentation, Disputes & Litigations

- Avoiding tax audits and penalties
- Developing a sound TP policy and documentation
- Effort, cost & benefits balance to comply with regulation
- Automatic exchange of information

SERVICES

- Current transactions review & benchmarking
- Risks identification and adjustment suggestions (sensitivity analysis of changes)
- Analysis of policies and intragroup contracts

- TP studies for assets, services, financing and IP
- Value chain and functional analysis
- Determining profits and costs allocations
- Sound price strategy for business objectives


- Risk mitigation with CCA and APA
- Consistent documentation (master & local files, country by country reporting)
- Compensations calculation & renegotiation
- Support on tax audits & defence in disputes

Four-step review process

RSM approaches transfer pricing with a four-step process, assessing the strategic potential while providing proof of compliance and, most importantly, peace of mind. During our transfer pricing review, our professionals evaluate the operating and tax structures of the entire group to ensure the most tax-efficient model is being pursued. We also aim to identify opportunities to manage your tax liabilities worldwide.

1


Understand your business.



We perform an in-depth assessment of related parties and related-party transactions in order to define the products, services and intellectual property transferred. We then analyse how each of these transactions is affected, the parties involved and their business characterization, the functions performed, and the risks assumed, and assets utilized by each party.

2


Identify the best transfer pricing method.



Not all transfer pricing methodologies work for all transactions. Based on our understanding of your related-party transactions and considering your overall business model, we select the most appropriate method to test their arm's length nature.

3


Determine arm's length pricing ranges.



Using the transfer pricing method identified as most suitable for each of your related-party transactions, we determine the arm's length price ranges. We test the company's current transfer pricing methodology against the arm's length range and make recommendations on any necessary modifications. During this exercise we take full account of your business objectives.

4

Document results.



Once the arm's length range has been quantified and the company's methodology is tested against this range, we prepare a report that documents the review process undertaken and our conclusions. Our final reports:

- Confirm the appropriateness of your company's transfer pricing methodology
- Deliver required documentation
- Minimize the risk of double taxation and tax audit adjustments

During this process, we also identify new opportunities and recommend new solutions for global tax minimization. The results of our review process can include:

- More effectively managed risk of double taxation
- Potential reduction of worldwide effective tax rates
- Enhanced shareholder value
- Supporting documentation

About RSM

RSM is the 6th largest network of independent audit, tax and accounting firms worldwide, with more than 750 offices in over 116 countries, and more than 41,000 people on hand to serve your needs. RSM firms cover key markets in Mexico, Canada, Europe, Asia and the Pacific, Latin America and Africa. Its offices and services are organized and scaled to serve the foreign business needs of mid-sized companies, with a high level of partner attention and value pricing.

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