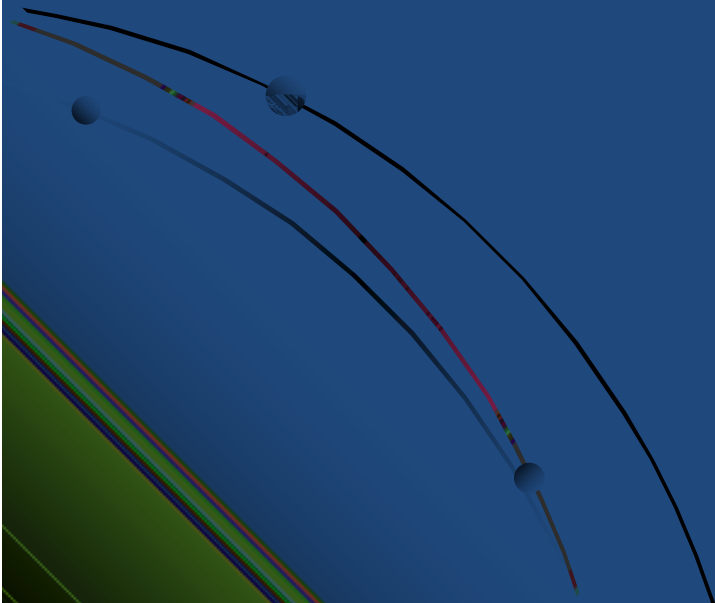


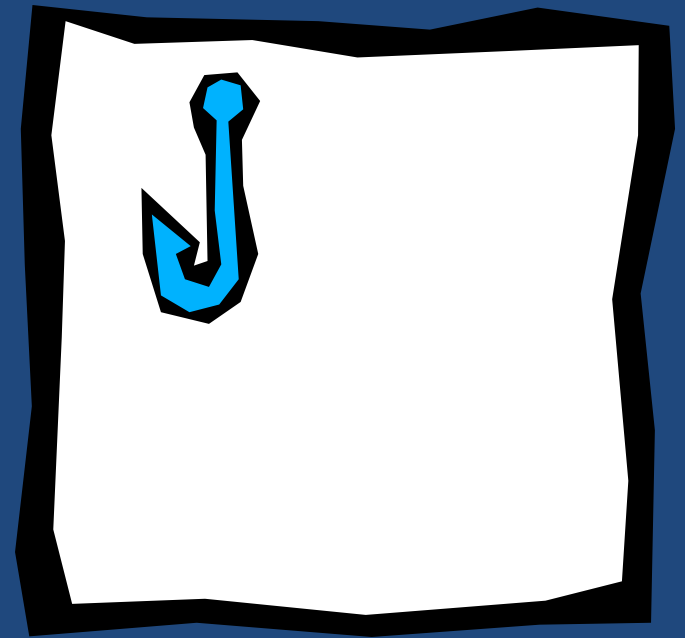


Overview

Focus on:



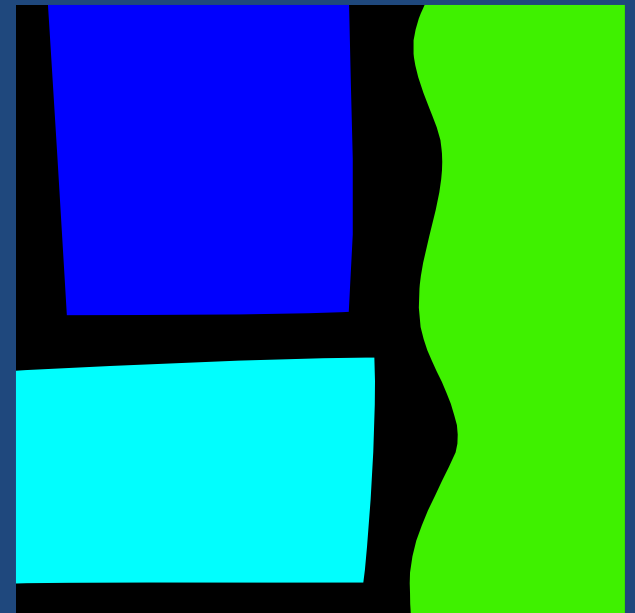
How does your
country know if a
NR is earning
business profits in
your country?



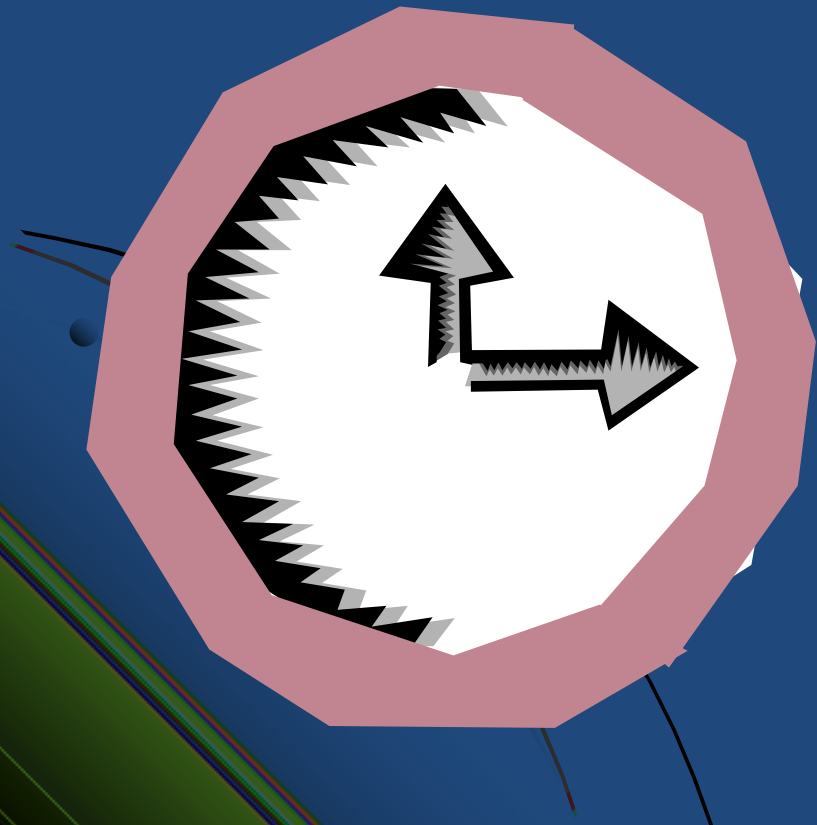


What is the most common type of PE:

- fixed place of business?
- construction site?
- place of extraction?
- agents?
- services?

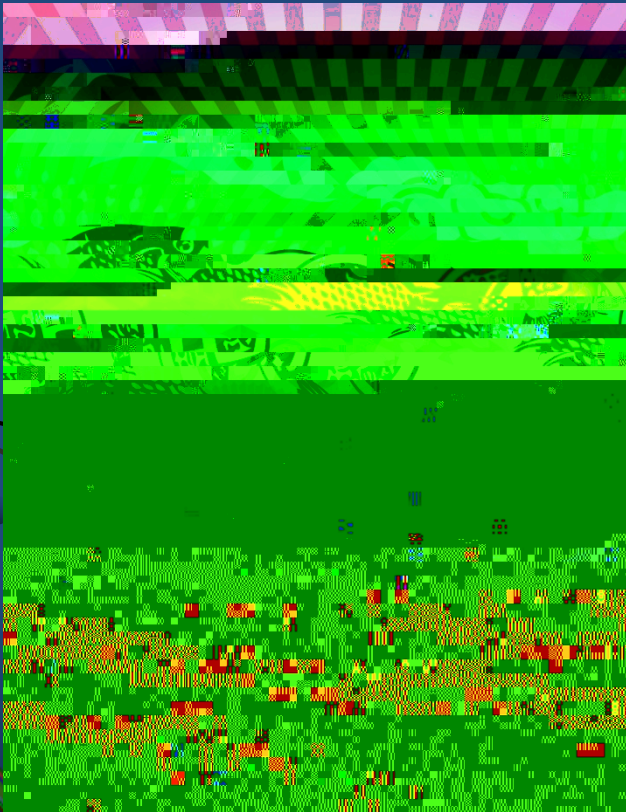


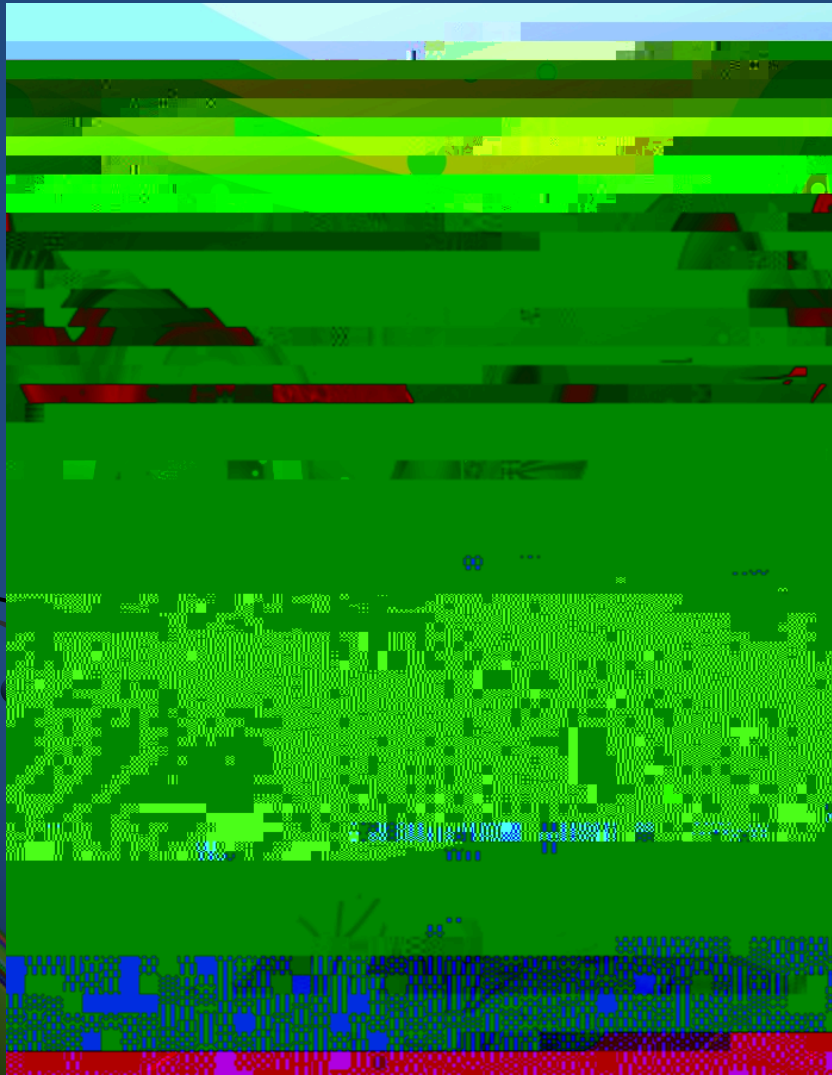
Measuring Time Period?



Special Deeming Rules

Insurance (Art.5(6))?
Distributor without
authority to conclude
contracts (Art.5(5)(b))





Jinyan Li Jan.29 2013



Profit: Deductions

1. Actual expenses?
2. Interest expense?
3. Thin capitalization rules?



Cudd Pressure



Deduction re equipment:
a) depreciation,
b) Notional rent (much higher than depreciation)

- Snubbing units used in exploratory gas well in Canada
- Unmanned snubbing service fee per day: \$15,000
- 600 unit: only one in the world



Non-discrimination

Any complaints about
“discrimination”?

Rules for NR = rules for
R?

If not, how do they
differ?



Other Issues?



