

UN Course on Double Tax Treaties
Selected Issues on Taxation of Services
Panama City, Panama, 1-3 June 2015



Day 2 (continued)

Taxation of Business Profits

- PE vs. subsidiary
- Attribution of profits to a PE
- Application of the arm's length principle to PEs
- Limited force of attraction in the UN Model
- Expenses and payments
- Special issues

Day 3

Taxation of Services

- PE rules for services
- Independent personal services
 - Types of services/activities
 - Fixed base
 - Presence test
- Dependent personal services
 - Employment
 - Basic rule
 - Exception: conditions
- Directors' fees and remuneration of top-level managers
- Artistes and sportspersons
- Government service
- Students
- Case study