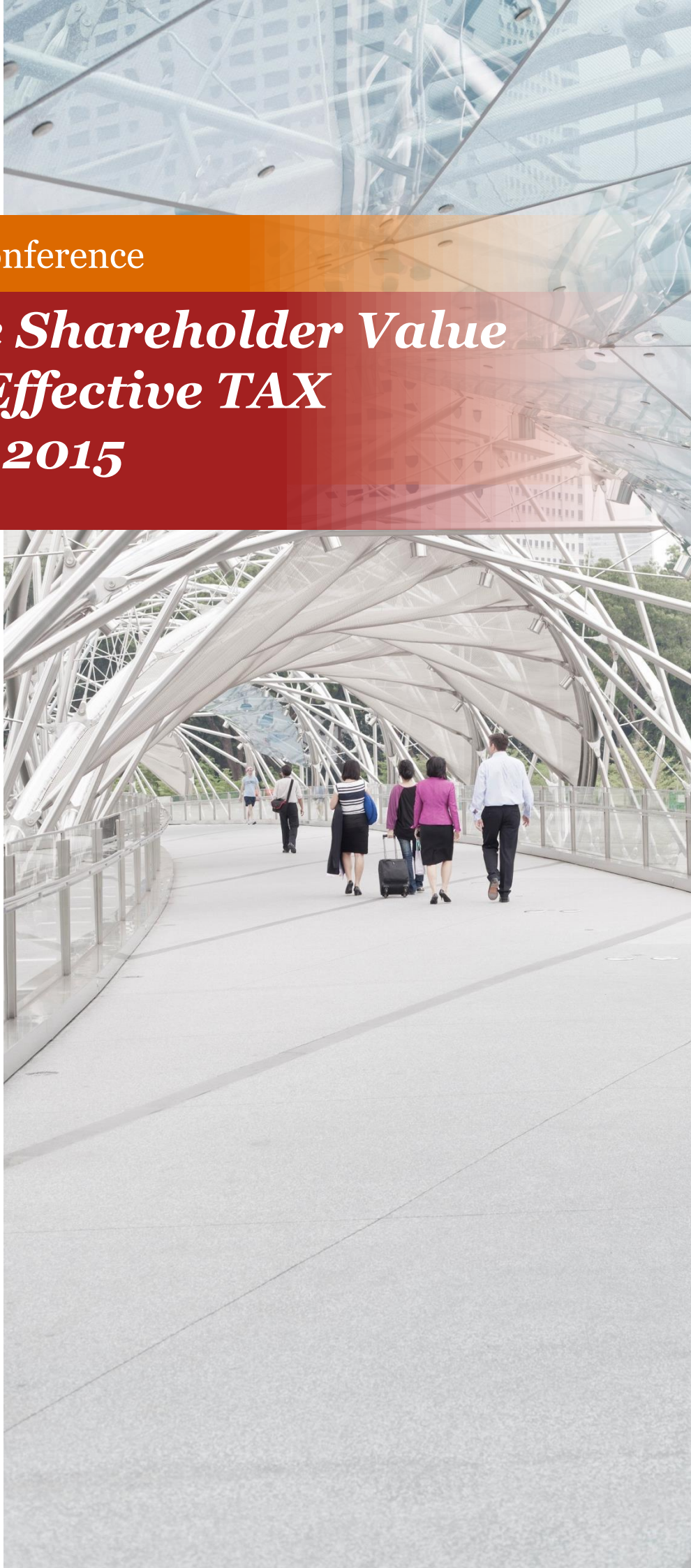


16th Annual Conference

# *Maximise Shareholder Value through Effective TAX Planning 2015*

**Structuring for  
growth – adding  
value while  
continuing to  
manage risks**

16 October 2014  
Shangri-La Hotel



# Synopsis

After a long period of turmoil and uncertainty, there is now a distinct air of increasing optimism about the global economy. Moving out of survival mode and focussing once more on growth and opportunities is the trend of MNCs.

The search for growth is more complicated than ever and requires careful consideration of which markets to focus on. This is especially true for emerging markets such as Thailand over developed countries.

Current trends point to a brighter future with myriad opportunities in the Asian region. But it would be foolish to assume that identifying and capitalising on these opportunities will be straightforward. Increasing tax burdens and over-regulation due to government responses to fiscal deficits and debt burdens remain major concerns for MNCs. Although the global economy appears to be on an upward trend, it seems unlikely that the pace of government initiatives for tax and regulatory reform will ease off in the near term.

So we believe that businesses in Thailand will have an exciting and growing range of investment opportunities. But at the same time they'll face many challenges in dealing with the evolving tax and regulatory landscape. It's critically important to have tax functions in place that balance the coming opportunities and challenges, keep on top of changes, manage risk, and add value to new and existing investments.

Planning ahead and continuously monitoring the investment environment can ease uncertainties that arise, especially as your businesses evolve.

We hope you'll find our MSV conference valuable, and we look forward to seeing you there.



## PwC Tax Panel

Our panel of tax partners will discuss the potential impacts on business, provide insights on what can be expected during times of changes, and examine the tools you will need as a business leader to manage the challenges and opportunities that companies may face.

## Agenda

All sessions will be conducted in **Thai**.

### Thursday 16 October 2014

08:00 – 08:30	Registration
08:30 – 08:50	Welcome note & Opening speech
08:50 – 09:20	Keynote speech by Revenue Department
09:20 – 10:30	PwC Tax Panel
10:30 – 11:00	Coffee Break
11:00 – 11:30	Update new laws & regulations
11:30 – 12:00	Accounting Ethics
12:00 – 13:15	Lunch
13:15 – 14:15	<b><u>Breakout session 1 (Select one of these sessions)</u></b> A: It's time to reform: Preparing for new tax investigation techniques B: How do you manage employees' personal costs and compliance risks while structuring for growth?
14:30 – 15:30	<b><u>Breakout session 2 (Select one of these sessions)</u></b> C: Tax risk assessment and common tax pitfalls D: Growing your business by tapping into customs opportunities and managing your risks at the same time
15:30 – 16:00	Coffee break
16:00 – 17:00	<b><u>Breakout session 3 (Select one of these sessions)</u></b> E: Planning - Looking to the Future F: Does legal risk management and compliance really matter?

Remark: This seminar can count towards CPD hours for both accountants and CPA (subject to confirmation by the relevant authorities)



Each participant has the choice of attending sessions depending on their specific interest. Our topic experts will be in the following sessions to share their experience.

## ***Session A: It's time to reform: Preparing for new tax investigation techniques***

It has been a challenging year for Thailand. The process of restructuring our social system and stimulating our economy is underway. This process is costly but necessary since we all need to clean up the mess and push our country forward. With the Revenue Department missing its tax collection target for 2014 and with the increased budget planned for our country's reform, an increased effort in the country's tax collection operations is unavoidable. Although the standard tax investigation system has been in place for years, new techniques are being applied by the officers to improve tax collection efficiency. Sophisticated issues involving transfer pricing are also being addressed to increase the Baht amount of tax collected. Taxpayers must be aware of these new techniques and be familiar with any issues that revenue officers could raise.

The objective of this session is to update you on the new investigation techniques for transfer pricing and other tax issues being used by the revenue officers, and to equip you to be ready for the challenges.

Again, this is an era of reform and a sea of change -- socially, politically, and economically. You can sink or swim. The choice is yours.

We look forward to seeing you at our session.

## ***Session B: How to manage employees' personal costs and compliance risks while structuring for growth***

Opportunities are continuing to emerge and an increasing number of Thai MNCs are exploring investment destinations overseas. To prepare for business growth and the effects of such moves on Thai employees, businesses should focus on employee benefit packages that are designed to be both cost effective and tax efficient in both the home and host countries, while remaining competitive. The package that seems to be good from a HR perspective may not be tax efficient, resulting in a net package to the employee that is not competitive in line with the market.

In this session, we'll be sharing on:

- i) what types of benefit package design that Thai MNCs should follow based on the practices of other MNCs and how they should manage their employees' costs, social security, overseas pension, trailing bonus, trailing stock, payment arrangements, etc. from a Thai tax perspective, and
- ii) real experiences of a group of outbound employees going to work in Myanmar, both in terms of immigration and personal income taxation. We'll be focusing on important issues arising from the employment of expatriates as Myanmar is increasingly targeted by MNCs while its tax laws and practices are frequently changing, vaguely written and consequently open to interpretation.

## ***Session C: Tax risk assessment and common tax pitfalls***

Taxes and business operations are more intertwined than it may seem. Taxpayers face tax issues in day-to-day business operations, but they are often not sure how to deal with these issues. Manufacturers may face tax issues concerning types of income, revenue recognition or inventory loss, and it may be difficult to make sure taxes are correctly paid on promotional activities while trading companies or service providers may face different tax dilemmas.

If companies don't have a clear understanding of their tax obligations and undertake incorrect tax practice, they may have to pay any tax shortfall including penalties and surcharges following any tax assessment by the Revenue Department. This could easily wipe out their profits. And, tax exposures could increase significantly if the VAT rate goes back up to 10% in September 2015. So it's critical that businesses pay attention to their tax compliance.

In this session, we'll discuss some common tax pitfalls. We'll also cover structural solutions to tax risks, such as evaluating a company's tax exposure and forming a plan to manage future tax risks resulting from the business plan.



## **Session D: Growing your business by tapping into customs opportunities and managing your risks at the same time**

In today's competitive environment, it's important for companies to control and reduce their costs while not missing out on opportunities to achieve savings that could generate future growth. Customs duties are typically considered by companies as a 'necessary cost' of doing business; they pay them without actually considering the possible opportunities in this area to mitigate these costs.

Consider this, to reduce customs duties on your imported goods, has your company thought of using all the available Free Trade Agreements or duty privileges that Thailand has to offer? Have you considered using inward processing schemes such as those under the Board of Investment (BOI), Free Zones, or customs bonded warehouses? These could all help your company minimise the impact of customs duty when importing/exporting goods.

This session will help you better understand:

- the available duty privileges
- their key benefits and conditions
- the duty privileges that will best suit your company
- typical risks when using these privileges, and
- how to best manage these risks in case of challenges by Thai Customs authorities.

## **Session E: Planning - Looking to the Future**

There are many perfectly legal and commercially acceptable ways to increase value. One of these is through reductions in tax costs. The use of legitimate and substantive methods of reducing tax is called 'tax planning'. This differs from both 'tax avoidance' - which may be lawful but not substantive - and 'tax evasion' which is the unlawful reduction in tax.

Tax avoidance schemes have been subject of significant scrutiny over recent years - both by taxation authorities and the public at large. Several of the largest companies in the world have been the subject of much criticism for the way in which they avoid the payment of tax using arrangements which have little commercial purpose or substance. Such arrangements, while certainly not illegal, have been labelled 'immoral'.

Companies must, therefore, be aware that their tax planning strategies fall under scrutiny in the public domain. Accordingly, they need to be satisfied that any arrangements are not harmful to their reputation. Added to this, taxation authorities are increasingly focussing on the commercial rationale for tax planning arrangements, and using anti-avoidance rules to attack arrangements that lack substance.

In this session, we will discuss what would be considered as 'inappropriate tax planning' (or tax immorality) and what would be considered as 'appropriate tax planning'. A commercially driven plan and economic substance should play an important role in determining whether how transactions or investments should be structured to achieve reductions in tax. The session will cover a range of different issues to help you achieve planning which is both legally robust and commercially orientated.

This session will focus on how tax planning will be affected

- The changing tax [planning] environment;
- Tax planning - a moral issue?
- Commercially driven planning
- Reviewing the past
- Implementing success.

## **Session F: Does legal risk management and compliance really matter?**

Legal risk management compliance should not be thought of as a trivial matter as it is always a top priority for management and executives who are required to legally run businesses in any part of the world.

Risk is evident in every business decision anywhere in the world and legal risk management is one of the key concerns for top management in any organisation. Compliance not only with local laws but also with other judicial laws that govern a company's business operations in other countries is crucial. Penalties levied on an office in Thailand might well affect its affiliates or parent in other countries. Understanding, implementing and enforcing various regulations that significantly impact your business are most important. Thus, the task of managing legal risk is vital to the success of business performance. For greater awareness and to enhance their management, we'll discuss corporate legal risk and compliance as well as common non-compliance issues so that businesses in Thailand can put in place the necessary controls to ensure they can maintain the highest standards of business compliance.

### **Event Details:**

Date:	16 October 2014
Venue:	Shangri-La Hotel
Who should attend:	Chief Executive Officer; Chief Financial Officer; Finance & Accounting Director; Tax Director; Financial Controller; Human Resources Director; Tax Lawyer
Language:	All sessions will be conducted in Thai.
Dress code:	Business

### **How to register**

Fax enrolment form to : +66 (0) 2286 2666  
E-mail enrolment form to : [tls.thailand@th.pwc.com](mailto:tls.thailand@th.pwc.com)

Please register by 9 October 2014.

### **For more information**

Please call +66 (0) 2344 1000 and speak to  
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Khun Jutathip ext. 4209;  
Khun Tussanee ext. 4211; or  
Khun Tunyamas ext. 4208