

**Certainty in an Uncertain World?
Resolving Cross-Border Tax Controversies**

Wednesday, February 25, 2009

7:00 a.m. – 8:00 a.m.

Registration and Continental Breakfast

8:00 a.m. – 8:10 a.m.

Welcome Remarks and Symposium Mission

- Michael P. Reilly, Vice President, Taxation, Johnson & Johnson
Chairman, TCPI Planning Committee
- Pamela F. Olson, Partner, Skadden, Arps, Slate, Meagher & Flom LLP
- Mark A. Weinberger, Global Vice Chairman – Tax, Ernst & Young LLP

8:10 a.m. – 8:45 a.m.

Keynote Opening

- Grant D. Aldonas, Principal Managing Director, Split Rock International,
Inc. and Senior Advisor, Center for Strategic and International Studies

8:45 a.m. – 9:45 a.m.

Keynote Panel

**Whose Income Is It? How Business is Caught in the Global
Competition and Controversy for Tax Revenues**

This panel will set the tone for the entire Symposium with a strategic discussion on the global race among countries to attract and retain business operations in their jurisdictions. In this increasingly competitive global environment, tax controversy across multiple jurisdictions is becoming a frequent occurrence in both developed and developing countries as well as in the 50 U.S. states. The panelists will discuss how revenue authorities are attempting to claim larger shares of corporate revenue and subject it to taxation, and how the dispute resolution process might be improved. They also will address the complexities of modern business structures, the impact of tax controversy and enforcement on corporate competitiveness, and other relevant issues.

- Timothy M. McDonald, Vice President – Finance & Accounting, Global
Taxes, Procter & Gamble
- Michael Mundaca, Deputy Assistant Secretary (International Tax Affairs),
U.S. Department of the Treasury
- Joel Walters, Corporate Finance Director, Vodafone
- Pamela F. Olson, Partner, Skadden, Arps, Slate, Meagher & Flom LLP
(Moderator)

9:45 a.m. – 10:10 a.m.

BREAK

10:10 a.m. – 11:20 a.m.

Session 2

Tax Administrator's View of Global Tax Issues

A panel of global tax administrators will review significant policy considerations and recent developments in global tax controversy, discuss dispute resolution processes and enforcement, and look to the future in terms

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of trends, new legislation, and regulatory guidance. Among the topics are transfer pricing, permanent establishment, an update on the OECD IFTA Intermediary Project, tax implications of the global enterprise including offshore employees, approaches to structuring businesses and transactions, and ways to improve the dispute resolution process.

- William Baker, Commissioner, Canada Revenue Agency
- P.V. Bhide, Secretary, Department of Revenue, Government of India
- David Hartnett, Director General, HM Revenue & Customs (UK)
- Frank Y. Ng, Commissioner, Large and Mid-Size Business Division, Internal Revenue Service
- Deborah M. Nolan, Partner, Tax Controversy and Risk Management, Ernst & Young LLP (Moderator)

11:20 a.m. – 12:30 p.m.

Session 3 Controversy and Dispute Resolution—Developments, Trends, and Practical Solutions

This panel will review recent developments in the areas of managing international controversy and dispute resolution. Discussion will include doing business in emerging markets such as China, India, and Brazil and the complexities of dealing with their tax authorities. The panel will discuss the need for transparency in dealing with the complex issues of today. They also will look at the role competent authority can play in enabling certainty through a bilateral APA or resolving potential double taxation through the mutual agreement process. Discussion of the mutual agreement process will include the trend in newer treaties to have a binding arbitration provision and the observed impact of those provisions to date.

- Peter A. Barnes, Tax Counsel – International, General Electric
- Michael J. Bernard, Tax Counsel, Microsoft Corporation
- Carol A. Dunahoo, Partner, Baker & McKenzie
- David Swenson, Partner, PricewaterhouseCoopers LLP
- Hal Hicks, Partner, Skadden, Arps, Slate, Meagher & Flom LLP (Moderator)

12:30 p.m. – 2:00 p.m.

Lunch and Keynote Address

Douglas H. Shulman, Commissioner of Internal Revenue, Internal Revenue Service

2:00 p.m. – 3:15 p.m.

Breakout Sessions

Session 4 – Breakout *The Ritz-Carlton Ballroom Salon II* **Best Practices in Managing Tax Controversy with Multiple Jurisdictions—China and India**

A panel comprised of corporate tax executives and multijurisdictional practitioners will discuss how specific tax administrations are addressing

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significant international tax issues and the different dispute resolution methods companies are using in response. They also will review areas that have come under growing or evolving scrutiny from the relevant tax administrations, including transfer pricing, permanent establishment, and withholding tax issues.

- Dinesh Kanabar, Executive Director – Tax & Regulatory Services, PricewaterhouseCoopers Pvt. Ltd.
- Satya Poddar, Partner, Global Tax Advisory Services, Ernst & Young Pvt. Ltd.
- Cassie Wong, Tax Leader – Tax Services, PricewaterhouseCoopers Consultants (Shenzhen) Limited
- Michael D. Fryt, Corporate Vice President, Tax, FedEx Corporation (Moderator)

Session 5 – Breakout

The Plaza Ballroom

Transfer Pricing: Intercompany Services

Given the current application of the temporary services regulations and the impending arrival of the final guidance, taxpayers should be aware that requirements regarding charge-out of headquarters-type expenses and the inclusion of stock-based compensation in the cost pool will increase exposure to examination by both the IRS and foreign authorities. As a result, many companies are developing a preliminary plan to manage U.S.- or foreign-initiated disputes. This moderated session will include IRS and corporate representatives discussing the intended goals of the regulations and examination experiences. Additionally, the panel will share foreign country experiences and provide an overview of the impact of the anticipated final regulations on the mutual agreement process.

- Purvez Captain, Principal, U.S. Director of Transfer Pricing Services, Ernst & Young LLP
- Kevin G. Conway, Senior Vice President, Tax & Treasury, Warner Music Group
- Mark Freed, Head of Global Transfer Pricing, Intel Corporation
- Carol B. Tan, Attorney, Office of Associate Chief Counsel (International), Internal Revenue Service
- Robert Green, Partner, Caplin & Drysdale, LLP (Moderator)

Session 6 – Breakout

The Roosevelt Room

State Attacks on Intercompany Transactions

Like the Internal Revenue Service, state taxing authorities often seek to reduce or eliminate the potential tax benefit of an intercompany transaction through various statutory or equitable powers. The state rules differ significantly from the federal rules and unintentional results may flow from these differences. This breakout will examine the latest developments in state transfer pricing issues including the need for valid transfer pricing reports in light of states hiring transfer pricing consultants. Participants also will look at

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intercompany expense add-back provisions, forced combinations, and other measures the states employ to attack intercompany transactions, including economic substance and business purpose, and offer practical insights on audit and appeal strategy associated with these issues.

- Jeffrey A. Friedman, Partner, Sutherland
- Donald M. Griswold, Partner, Reed Smith LLP
- Colleen Warner, Principal, Transfer Pricing Group, Ernst & Young LLP
- Carl R. Erdmann, Counsel, Skadden, Arps, Slate, Meagher & Flom LLP (Moderator)

3:15 p.m. – 3:30 p.m.

Break/Move to Next Breakout Session

3:30 p.m. – 4:45 p.m.

Breakout Sessions

Session 7 – Breakout

The Ritz-Carlton Ballroom Salon III

Best Practices in Managing Tax Controversy with Multiple Jurisdictions—Mexico and Brazil

A panel comprised of corporate tax executives and multijurisdictional practitioners will discuss how specific tax administrations are addressing significant international tax issues and the different dispute resolution methods companies are using in response. They also will review areas that have come under growing or evolving scrutiny from the relevant tax administrations, including transfer pricing, permanent establishment, and withholding tax issues.

- Josef Hajek, Senior Vice President, Tax & Governmental Affairs, Tupperware Brands Corporation
- Romero J.S. Tavares, Partner, Ernst & Young
- Manuel Solano, Principal, Director of Latin America Business Center, Ernst & Young LLP (Moderator)

Session 8 – Breakout

The Ritz-Carlton Ballroom Salon II

Transfer Pricing: Treatment of Intangibles and Business Restructuring

As multinational business restructurings have become widespread and commonplace, companies and tax authorities alike are scrutinizing cross border reallocation of risks, profits and functions. In response to the growing level of activity, the OECD issued a discussion draft on September 19, 2008 on the transfer pricing aspects of business restructurings, with an invitation for public comment to be made before February 19, 2009. This moderated panel will provide an overview of the draft report's contents and discuss the implications arising from the proposed provisions. Panelists will include professionals from the corporate and professional service sectors, as well as past and present OECD representatives. They will focus on sources of bargaining leverage, the risk of imputed contractual terms, and the impact on

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planning opportunities.

- Manfred Naumann, Head of Division, International Taxation, Ministry of Finance, Germany
- James J. Tobin, Partner, Global Director of International Tax Services, Ernst & Young LLP
- T. Timothy Tuerff, Partner, Deloitte Tax LLP
- Graeme Wood, Director, Global Taxes – Transfer Pricing, Procter & Gamble
- Matthew W. Frank, Senior Tax Counsel, Transfer Pricing, GE Company (Moderator)

Session 5 – Breakout

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Session 9 – Breakout

The Roosevelt Room

SALT Roundtable: SALT Professionals Discuss Legislative and Judicial Developments and Planning Opportunities

Well-known state and local tax professionals from across the country will provide a multistate discussion on recent legislative and judicial developments. With an emphasis on California, Illinois and New York, they will explore both the associated planning opportunities and the traps in these large taxing jurisdictions. The panel also will address state and local tax implications for multinational companies, including treatment of worldwide combined reporting and cash repatriation, and examine the differences between establishing a sufficient nexus for imposition of state taxes and the federal concepts of permanent establishment.

- John Amato, State Tax Counsel, General Electric Company
- Jordon M. Goodman, Partner, Horwood Marcus & Berk
- Hollis L. Hyans, Partner, Morrison & Foerster, LLP
- Gary A. LeDonne, Partner, Americas Director of Indirect Tax & State and Local Tax, Ernst & Young LLP (Moderator)

4:45 p.m. – 5:00 p.m.

Break/Move to Next Breakout Session

5:00 p.m. – 6:15 p.m.

Breakout Sessions

Session 4 – Breakout

The Roosevelt Room

Best Practices in Managing Tax Controversy with Multiple Jurisdictions—China and India

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Session 7 – Breakout *The Ritz-Carlton Ballroom Salon III*
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Session 10 – Breakout *The Ritz-Carlton Ballroom Salon II*
State and Local Tax Policy Trends

The government and industry professionals on this panel will have a friendly debate on current trends in state tax policy. Panelists will critique the trend of replacing current income taxes with gross receipts taxes such as the Ohio CAT, the Texas Margin, and the Michigan Business Tax. They will debate the benefits and burdens of adopting a single sales factor apportionment formula and/or mandatory combined reporting; discuss the policy decisions relating to the states' likely attempt to expand the sales and use tax base by taxing more services with fewer exemptions; and discuss various Congressional efforts to enact federal legislation that would impact state and local taxation. Panelists will wrap up this session with their 2009 state and local tax legislative forecast.

- Robert Cline, Executive Director, Director of State and Local Tax Policy Economics, Ernst & Young LLP
- Joseph R. Crosby, COO & Senior Director, Policy, Council On State Taxation
- Jim Eads, Executive Director, Federation of Tax Administrators
- Joe Huddleston, Executive Director, Multistate Tax Commission
- Harley Duncan, Managing Director, KPMG (Moderator)

6:15 p.m.

Cocktail Reception

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Thursday, February 26, 2009

7:00 a.m. – 8:00 a.m. ***Continental Breakfast***

8:00 a.m. – 9:15 a.m. **Breakout Sessions**

Session 11 – Breakout ***The Plaza Ballroom***
Risk-Based Approach to Large Corporate Audits

Some countries are moving toward a risk-based framework for their audit approach. Australia leads this development, and the UK and South Africa recently adopted similar approaches. Panelists in this session will cover the basics of the revenue authority approach, which reviews a company's process and control, systems, risk tolerance, and other similar factors, then ranks the company and targets those with the highest rankings for a more extensive audit.

- Keith J. Anzel, Managing Director – Tax, Citigroup, Inc.
- Cheryl Claybough, Director Prefiling and Technical Guidance, Large and Mid-Size Business Division, Internal Revenue Service
- Chris Oates, Partner, Tax Controversy and Risk Management, Ernst & Young LLP
- David B. Robison, Senior Tax Advisor, Skadden, Arps, Slate, Meagher & Flom LLP
- Michael J. McGoldrick, Tax Director, Sunoco Inc. (Moderator)

Session 12 – Breakout ***The Ritz-Carlton Ballroom Salon III***
Indirect Taxes and Global Controversy

As jurisdictions become more interested in indirect tax compliance, companies are seeing an increase in information requests, information exchange among jurisdictions, and the impact on enforcement actions and controversy for multinational companies. This panel will consider the increasing emphasis that taxing administrators are placing on VAT, customs and duties, and other indirect taxes.

- Peter Schilling, Executive Director, Ernst & Young LLP
- Douglas P. Zuvich, Parnter-in-Charge, Trade and customs Services, Coordinator for Global Activities, KPMG
- Roel van Hal, Indirect Tax Global Process Owner, ExxonMobil Downstream (Moderator)

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Session 13 – Breakout *The Ritz-Carlton Ballroom Salon II*
**Tax Controversy Arising from Global Workforce and
(Accidental) Expatriates**

As global companies are increasingly exposed to disputes with a growing number of tax jurisdictions, knowledge of the role litigation plays is key. This panel will discuss common issues in this area such as payroll and employment tax, stock-based compensation, executive pay packages, family-related allowances, retirement contributions, and employees vs. contractors.

- Mike Kenyon, Global Practice Leader, International Social Security Services, Ernst & Young LLP
- Theodore Sadlouskos, Tax Director – Cross Border Issues, General Electric
- Sean Watts, Principal, Human Capital, Ernst & Young LLP
- Bob Brown, Partner, Global Director – Tax Controversy and Risk Management, Ernst & Young LLP (Moderator)

9:15 a.m. – 9:30 a.m.

Break/Move to Next Breakout Session

9:30 a.m. – 10:45 a.m.

Breakout Sessions

Session 14 – Breakout *The Ritz-Carlton Ballroom Salon II*
Litigation with Tax Authorities

As companies become more global and subject to a wider net of taxing authorities, litigation around tax issues is more likely to occur. This panel will discuss the current role of litigation in the global dispute resolution process – how to decide when to litigate, how to assess the appeals system, and how to gauge the litigation climate including any non-tax issues. They will also explore situations unique to foreign jurisdictions, what can be done to prepare for them, and how to manage concurrent or sequential multijurisdictional litigation.

- Donald L. Korb, Partner, Sullivan & Cromwell LLP
- John Magee, Partner, McKee Nelson LLP
- Joel V. Williamson, Partner, Mayer Brown LLP
- Alan Swirski, Partner, Skadden, Arps, Slate, Meagher & Flom LLP (Moderator)

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Session 15 – Breakout

The Ritz-Carlton Ballroom Salon III

Permanent Establishment and Nexus

This panel will focus on recent developments in the related areas of permanent establishment and nexus and review the latest judicial, administrative, legislative, and regulatory guidance. Panelists will discuss how companies and taxing authorities are working to increase the speed of dispute resolution involving PE issues. Specific attention will be given to the ongoing debate surrounding traditional physical nexus/PE and the more recent approach whereby authorities attempt to create nexus or PE based on economic (non-physical) factors. Discussion will include global developments as well as what is going on among the States.

- Michael P. Reilly, Vice President, Taxation, Johnson & Johnson
- Philip R. West, Partner, Steptoe & Johnson LLP
- Phil Morrison, Principal, Deloitte Tax LLP (Moderator)

Session 11 – Breakout

The Plaza Ballroom

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- David B. Robison, Senior Tax Advisor, Skadden, Arps, Slate, Meagher & Flom LLP
- Michael J. McGoldrick, Tax Director, Sunoco Inc. (Moderator)

10:45 a.m. – 11:15 a.m.

Break

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11:15 a.m. – 12:30 p.m.

Keynote Closing Panel

**Lessons Learned and Best Practices in Dealing with
Multijurisdictional Tax Controversies**

Your company is faced with a global tax issue that affects a large number of jurisdictions. Now what? The closing panel will talk about how to prioritize actions, assess the impact and likely response from tax authorities, and achieve consistency around the world. Participants will focus on the need to repair broken systems to ensure future compliance and deal with other areas that may need checking. Their discussion topics will encompass the policy and practical implications raised throughout the Symposium.

- Bob Brown, Partner, Global Director – Tax Controversy and Risk Management, Ernst & Young LLP
- Paul W. Oosterhuis, Partner, Skadden, Arps, Slate, Meagher & Flom LLP
- Michael P. Reilly, Vice President, Taxation, Johnson & Johnson
- Mark A. Weinberger, Global Vice Chairman – Tax, Ernst & Young LLP (Moderator)