

## LL4342V/LL5342V/LLJ5342V/LL6342V TAXATION OF CROSS-BORDER COMMERCIAL TRANSACTIONS I

This course is about the taxation of cross-border commercial transactions and structuring such transactions for tax efficiency. It will be useful for people who want to practise tax law and, to a lesser extent, people involved in M&A.

No prior tax law or M&A knowledge is necessary.

There is no prescribed textbook for this course. All course materials are available online. They include statutes and regulations, selected cases and IRAS / IRS rulings and guidance, guides published by the Big 4 accounting firms, OECD materials and short practitioner articles.

### **Assessment has 2 parts: -**

Assignment (at least 2000 words, due around mid-sem break) - 20%

Final Exam (2hrs, sit-down open book, question type: MCQ, True/False and short-answer) - 80%

The teaching method is to learn the basic tax rules, then apply them to advise on the tax implications of cross-border transactions, while keeping an eye on structuring for tax efficiency.

This course will teach you the following, in sequence.

### **A. Stamp duty (~2 lessons)**

- (1) the Singapore stamp duty implications of share and asset transfers and amalgamations
- (2) application of the stamp duty relief rules to different share and asset transfer situations
- (3) additional conveyance duty (brief)
- (4) stamp duty planning (brief)

### **B. Corporate income tax (~7 lessons)**

- (1) basic features of the Singapore income tax system -> income vs capital, deductions and allowances, tax attributes etc
- (2) application of Singapore rules to M&A -> structuring the deal (share vs asset sale, liquidation vs amalgamation), impact on the M&A agreement (if time permits)
- (3) Singapore corporate tax rules from an inbound perspective - tax incentives, withholding tax, R&D and IP holding; and an outbound perspective - treaties, foreign-sourced income exemption
- (4) basic US corporate tax rules from an outbound perspective -> subpart F, foreign tax credits, check-the-box
- (5) application of the Singapore inbound and US outbound rules to a basic Singapore-principal structure
- (6) entity and debt-equity hybridity (brief)

### **C. GST (~3 lessons)**

- (1) basic features of Singapore's GST system -> generally, Parts III – V of the GST Act
- (2) application of GST rules to cross-border transactions
- (3) Netflix tax and reverse charge