



VAT Symposium

RENAISSANCE ESMEERALDA
RESORT AND SPA
INDIAN WELLS, CALIFORNIA
SEPTEMBER 29-OCTOBER 1, 2010



PRELIMINARY
PROGRAM

This two and one-half day program provides focused education on VAT and its impact on multi-national companies and cross-border transactions. The program encompasses the economics of VAT through the potential implementation of VAT in the US. The program will also provide presentations and concentrated discussions on Regional Perspectives, Legal Standards, Compliance Automation and specific Industry Issues. Audience participation is strongly encouraged and while some working knowledge of VAT is suggested, the program is structured so that all attendees will gain valuable insight regarding VAT.

INSTITUTE FOR PROFESSIONALS IN TAXATION

1200 Abernathy Road, NE
Building 600, Suite L-2
Atlanta, Georgia 30328

Telephone: 404/240-2300
Fax: 404/240-2315
www.ipt.org

WEDNESDAY - SEPTEMBER 29, 2010

V A T S Y M P O S I U M

1:00 - 1:30 pm Welcome and Introduction

Welcome by *IPT President Robert D. Butterbaugh, CMI*
Introduction by *Harley T. Duncan, Symposium Vice-Chair*

1:30 - 3:45 pm GENERAL SESSION - The Economics of VAT

A General overview will be presented of the financial importance of VAT in terms of government revenue and corporate through-put as well as of the global proliferation of VAT taxes. A comparison will be made between Gross Receipt Taxes, Retail Sales Taxes and different types of VAT to enhance understanding of how a VAT works. The tax base of VAT, tax incidence and regressivity will be explained as well as the mechanics of border tax adjustments and the complications associated with exemptions under VAT. This session provides the foundation for the other sessions of this symposium.

Learning objectives – to understand:

- The importance of VAT from both a Treasury and business perspective;
- The manner in which VAT is collected through the supply chain and its impact on final consumer prices;
- The mechanics through which businesses are relieved from VAT;
- The differences between GRT, RST and VAT;
- The role of regressivity of VAT in the political debate as well as its economic “truth;”
- The consequences of the choice between the origin and destination principle for VAT Law design and its impact on the taxation of cross-border transactions;
- The mechanics of VAT exemptions, and the impact of exemptions on consumer prices.

Speaker: *Dr. Robert F. van Brederode*
New York University, School of Law
Principal, International VAT, Ryan, Inc., Atlanta, GA

3:45 - 4:00 pm

B R E A K

4:00 - 5:00 pm GENERAL SESSION - The Economics of VAT

A General overview will be presented of the financial importance of VAT in terms of government revenue and corporate through-put as well as of the global proliferation of VAT taxes. A comparison will be made between Gross Receipt Taxes, Retail Sales Taxes and different types of VAT to enhance understanding of how a VAT works. The tax base of VAT, tax incidence and regressivity will be explained as well as the mechanics of border tax adjustments and the complications associated with exemptions under VAT. This session provides the foundation for the other sessions of this symposium.

Learning objectives – to understand:

- The importance of VAT from both a Treasury and business perspective;
- The manner in which VAT is collected through the supply chain and its impact on final consumer prices;
- The mechanics through which businesses are relieved from VAT;
- The differences between GRT, RST and VAT;
- The role of regressivity of VAT in the political debate as well as its economic “truth;”
- The consequences of the choice between the origin and destination principle for VAT Law design and its impact on the taxation of cross-border transactions;
- The mechanics of VAT exemptions, and the impact of exemptions on consumer prices.

Speaker: *Dr. Robert F. van Brederode*
New York University, School of Law
Principal, International VAT, Ryan, Inc., Atlanta, GA

5:15 - 6:30 pm WELCOME RECEPTION

THURSDAY, SEPTEMBER 30, 2010

VAT SYMPOSIUM

8:00 - 10:00 am GENERAL SESSION - VAT Basics

This session explains the legal essentials of the credit invoice method VAT; in particular, the concept of taxable person (including VAT-groups, permanent establishment for VAT, and the responsibilities of taxable persons); the definitions of transactions subject to the tax; the concept of taxable amount (including payments, deductions and refunds); administrative obligations; and cross-border transactions.

Learning objectives – to understand:

- The basic legal terminology common in VAT;
- The concepts of taxable person, taxable transactions, etc.;
- The administrative obligations for businesses under VAT.

Speakers: *Thomas A. Boniface*
 Partner
 PricewaterhouseCoopers, New York, NY

Frank B. Sangster
Principal, International VAT Practice
KPMG LLP, Philadelphia, PA

10:00 - 10:15 am

B R E A K

10:15 – 11:45 am GENERAL SESSION - VAT Basics

This session explains the legal essentials of the credit invoice method VAT; in particular, the concept of taxable person (including VAT-groups, permanent establishment for VAT, and the responsibilities of taxable persons); the definitions of transactions subject to the tax; the concept of taxable amount (including payments, deductions and refunds); administrative obligations; and cross border transactions.

Learning objectives – to understand:

- The basic legal terminology common in VAT;
- The concepts of taxable person, taxable transactions, etc.;
- The administrative obligations for businesses under VAT.

Speakers: *Thomas A. Boniface*
 Partner
 PricewaterhouseCoopers, New York, NY

Frank B. Sangster
Principal, International VAT Practice
KPMG LLP, Philadelphia, PA

11:45 - 1:00 pm

L U N C H

General Session - A Federal VAT for the US ?

GENERAL SESSION - A Federal VAT for the US ?

Many commentators confess that a federal consumption tax, such as a VAT or NRST, is more likely to be introduced within the next 5 years than it was ever before. Whether and, if so, to what extent this is a realistic scenario will be discussed in this session, including why, or why not, a VAT would be appropriate for the US.

THURSDAY, SEPTEMBER 30, 2010

Learning objectives – to understand :

- The economic and political circumstances that may determine the introduction of a VAT ;
- The incentives and disincentives of VAT;
- The VAT as a replacement, part-replacement or an add-on tax ;
- Coordination issues between a federal VAT and state & local taxes.

Speaker: **Harley T. Duncan**
Managing Director, Washington National Tax
KPMG LLP, Washington, DC
Former Executive Director, Federation of Tax Administrators

1:00 - 2:00 pm **GENERAL SESSION - VAT and the Cross-Border Supply Chain**

With the irreversible trend of globalization, the VAT treatment of international trade of goods and services is increasingly catching the attention of corporate tax departments and of the boardroom. Supply chain management and VAT planning go hand in hand when goods or services are crossing borders. This session deals with general tax jurisdiction rules relating to cross border transactions for goods and services with examples of the common issues US Multinationals face and how these issues can be effectively addressed.

Learning objectives - to understand:

- The general VAT rules for international trade of goods and services, and other transactions subject to VAT;
- The impact of VAT on US companies trading overseas.

Speaker: **Karen Christie**
Principal
Ernst & Young, LLP, New York, NY

2:10 - 3:10 pm **BREAKOUT SESSIONS - VAT Issues for Specific Economic Sectors**

Real Estate

This session explains the VAT treatment of different types of land related transactions and, in particular, the impact that exempt supplies have on the recovery of VAT on costs incurred. In addition, an outline will be provided on mechanisms to treat certain exempt land related transactions as taxable supplies (option to tax) in some jurisdictions and the benefits and repercussions for businesses. Also, the session will look at the treatment of a number of cross-border supplies of services and the change in treatment that can be applied if the services relate to land and property transactions. Consideration will also be given to M&A asset transactions and the requirement to treat land and buildings in an appropriate manner to achieve VAT efficiency.

Learning objectives - to understand:

- The basic VAT principles for land related transactions;
- How to potentially change the VAT/GST treatment from an exempt supply to a taxable supply;
- A review of cross border supplies of services and the impact of land related supplies.

Speaker: **Shoab Malak**
Director Global VAT Services
Deloitte Tax LLP, San Francisco, CA

THURSDAY, SEPTEMBER 30, 2010

Financial Services

This session explains how the various VAT/GST models around the world attempt to tax financial services; in particular, the exemption model as operated within the EU - the different methods to recover VAT, the impact of reverse charges, the consequences of outsourcing, the treatment of loans, securities, insurance and leasing. Various aspects of the non-EU models of Australia, Singapore, and New Zealand will also be examined as well as a consideration of a cash-flow model. The session will conclude by crystal-ball gazing as to what an ideal GST model for taxing financial services might look like.

Learning objectives - to understand:

- The basic principles of taxing financial services under a VAT/GST system;
- How VAT/GST can act as a barrier to outsourcing for financial service companies;
- How the recent GST systems try to avoid the pitfalls of the EU VAT model for financial transactions.

Speaker: *Chris Needham*
 Global VAT/GST Director
 General Electric, Leeds, UK

Retail

This presentation will cover issues specific for the retail sector, such as the application of multiple rates and breakage. Also, the complexities surrounding cross-border shopping and the dynamics of e-commerce will be discussed.

Learning objectives – to understand:

- How different ratings, loss and breakage impact tax compliance;
- The different treatment between brick-and-mortar and virtual shops;
- EU- distance sales rules.

Speaker: *Gary Bendes*
 Tax Director – Global Indirect Taxes
 Amazon.com, Seattle, WA

3:10 - 3:20 pm

B R E A K

3:20 - 4:20 pm

BREAKOUT SESSIONS - VAT Issues for Specific Economic Sectors

Manufacturing & Distribution

VAT is a key concern for U.S. controlled suppliers of goods to international markets. The subject should be approached with the twin aims of ensuring regulatory compliance and avoiding unnecessary VAT costs. This session introduces the VAT issues faced by manufacturers and distributors active in global markets. In particular, the session will look at traditional models of manufacturing and distribution and will analyze alternatives to these models where a principle company is inserted into the corporate structure. This analysis will highlight the differences from a VAT perspective between contract and toll manufacturing models and distribution models including limited risk distributors, commissionaire arrangements and sales agencies.

Learning objectives – to understand the VAT implications of:

- Cross-border supplies of goods;

THURSDAY, SEPTEMBER 30, 2010

- Traditional manufacturing, contract manufacturing and toll manufacturing models; and
- Traditional distribution, limited risk distributor, commissionaire and sales agency models.

*Speaker: Benno Tamminga
Tax Director, Global VAT Services
Deloitte Tax LLP, New York, NY*

Oil & Gas

This session explains the challenges facing business in the oil and gas industry that trades in commodities. In particular, how physical gas and power trading and associated services are treated in different EU Member States; chain supplies (circle out's wash outs) of physical hydrocarbon in the EU; and VAT treatment of derivatives.

Learning objectives – to understand:

- The basic principles of the VAT treatment of physical trades in gas and power and associated services and how the implementation of EU legislation in domestic legislation can cause challenges;
- How chain supplies are treated from an EU VAT perspective and the problems with regards to intra-community supplies;
- How derivatives are treated under VAT and its consequences for businesses.

*Speaker: Niall Blacklaw
Tax Director
Ernst & Young, LLP, Aberdeen, UK*

Telecommunication & Media

Telecom and media services pose specific problems for VAT in terms of sourcing and nexus or, in other words, in determining VAT jurisdiction. In this session, a general outline of the rules, issues and practical problems will be presented, including recent developments and the rule changes announced for 2015.

Learning objectives - to understand:

- The basic current and future VAT rules as relevant for the telecom industry; and
- The practical implications of VAT in a telecom environment.

*Speaker: Frank B. Sangster
Principal, International VAT Practice
KPMG LLP, Philadelphia, PA*

4:30 – 5:30 pm

GENERAL SESSION - VAT Automation

This session explains and outlines the role that technology can and should play in the effective management of global transaction taxes. Tax departments face greater scrutiny than ever, requiring tax leaders to balance increased expectations of accuracy and reductions in uncertainty against pressure to run their department as efficiently as possible. This session will address emerging trends in the use of technology tools and automation to determine, calculate and report global transaction taxes. We will also discuss current issues and best practices in the deployment of these technology tools and show how they can help tax departments to be more efficient and effective while delivering greater value to their organization.

THURSDAY, SEPTEMBER 30, 2010

VAT SYMPOSIUM

Learning objectives - to understand:

- The political and economic pressure for increased tax compliance;
- The purposes of tax management and the role of technology therein;
- What is available in terms of technology tools;
- What are considered to be best practices.

Speakers: *Tracey Davis*
 Director VAT Technology
 Ryan Inc., San Jose, CA

Stephen W. James
Principal and International Practice Leader,
International Tax Technology, Ryan Inc., San Jose, CA

5:45-7:00 pm **RECEPTION**

FRIDAY, OCTOBER 1, 2010

8:00 - 9:00 am **GENERAL SESSION - Regional Perspectives**

European Union

Update on what is going on with the European VAT
 Experiences on VAT Package Implementation in 2010

Learning objectives - to understand:

- Be aware of general VAT trends in the EU and what it means for businesses;
- Understand the business impacts as a result of the changes introduced by the EU VAT package.

Speaker: *James Robinson*
 Director, US Global VAT Services
 PricewaterhouseCoopers, San Jose, CA

9:00 - 10:00 am **GENERAL SESSION - Regional Perspectives**

Canada

Update on Canadian GST developments and case law, including the impact on business
 of the recent HST expansion.

Learning objectives - to understand:

- The general GST trends and their impact on business;
- The complexities of the transitional rules regarding the HST expansion.

Speakers: *Robert Martini, Esq.*
 Partner
 Wilson Vukelich, Toronto, ON

Carlos Hernandez
Director
DuCharme, McMillen & Associates, Inc., Billerica, MA

10:00 - 10:15 am

B R E A K

FRIDAY, OCTOBER 1, 2010

V A T S Y M P O S I U M

10:15 - 11:30 am BREAKOUT SESSIONS - Regional Perspectives

Asia-Pacific

Update on VAT developments and case law in the Asia-Pacific region, including the introduction of GST in Malaysia and India and the substantial changes of the VAT in China.

Learning objectives - to understand:

- The general GST trends and their impact on business;
- The main features of the GSTs introduced or to be introduced in Malaysia and India;
- The transgression in China from production type to consumption type of VAT.

Speaker: *Howard Lambert*
 Senior Manager
 Ernst & Young LLP, Los Angeles, CA

South America

Update on VAT developments and case law in South America.

Learning objectives – understand:

- The general VAT trends and their impact on business;
- The basic features of Brazilian indirect and social contribution taxes.

Speaker: *Thomas A. Boniface*
 Partner
 PricewaterhouseCoopers, New York, NY

11:30 - 1:00 pm

L U N C H

1:00 - 2:30 pm **GENERAL SESSION - The Impact of VAT on Your Business**

Panel Discussion:

Chris Needham, Global VAT/GST Director, General Electric
Gary Bendes, Tax Director - Global Indirect Taxes, Amazon.com

Including questions from audience

2:30 - 2:45 pm

B R E A K

2:45 - 3:30 pm

GENERAL SESSION - VAT & EU Legal System (Joint General Session)

The relationship between European Community law and the national laws of its member states is complicated. Although Community law has priority over national law, there also exists a cooperative relationship between the two. This session deals with that interaction. The basics of EU law will be explained with a focus on relevance to taxation. In particular, attention will be paid to the role of taxation in realizing the purpose of the EU, legal instruments such as regulations and directives, effectiveness of Community law, the role of the European Court of Justice and its relation with the national courts, preliminary question

FRIDAY, OCTOBER 1, 2010

VAT SYMPOSIUM

procedure, Acte Clair and Acte Eclairé doctrines, and to legal interpretation as relevant to VAT.

Learning objectives – understand:

- The relationship between Community law and national law;
- The role of taxation in realizing the objectives of the EEC Treaty;
- The differences between the different legal instruments;
- The role of the European Court of Justice;
- How VAT law in the EU should be interpreted.

Speaker: *Dr. Robert F. van Brederode*
 New York University, School of Law
 Principal, International VAT, Ryan, Inc., Atlanta, GA

3:30 pm

SYMPOSIUM CONCLUDES

COMMITTEE**Gary Bendes**

Tax Director - Global Indirect Taxes
Amazon.Com
Seattle, WA

Thomas Boniface

Partner
PricewaterhouseCoopers LLP
New York, NY

Michael Camburn

Managing Director
Ryan
London, UK ENGLAND

Karen Christie

Principal
Ernst & Young, LLP
New York, NY

Harley T. Duncan, Vice Chair

Tax Managing Director
KPMG LLP
Washington, DC

Ken Helms, CMI, Chair

Manager – Indirect Tax Planning
United Technologies Corporation
Farmington, CT

Carlos V. Hernandez

Director, National Accounts
DuCharme, McMillen & Associates, Inc.
Billerica, MA

Stephen James

Principal
Ryan
San Francisco, CA

Laura Leahy

IGS Contracts Tax Lead
International Business Machines
Southbury, CT

Robert Martini

Partner
Wilson Vukelich LLP
Markham, ON

Faranak Naghavi

Partner - National Director
Ernst & Young LLP
Washington, DC

Chris Needham

Global VAT/GST Director
GE
Leeds, West Yorkshire

Heidi E. Sheff, CMI

Sheff & Associates LLC
Tampa, FL

Bradley T. Sparks, CMI

Manager
Ernst & Young LLP
Charlotte, NC

Dr. Robert van Brederode

NYU Law School
Farmington, CT

Michael J. Wall

Transactions Tax Manager
Coca-Cola Enterprises Inc.
Atlanta, GA

REGISTRATION

All registrations must be completed in advance of the symposium. As well as covering the usual symposium expenses, the fee includes Wednesday and Thursday night receptions, two luncheons, refreshment breaks, and course materials. Course materials and registration packets may be picked up at the IPT Registration Desk in the hotel between 10:00 a.m. and 5:00 p.m. on Wednesday, September 29th. Those who arrive after the desk closes may pick up registration materials after 7:30 a.m. on Thursday morning.

To encourage early registration, the fee structure is as follows for registration fees received by the IPT Office:

Through August 27th:

CMI Members	\$ 475.00
Individual Holds Membership in IPT:	\$ 575.00
Individual Not Holding Membership (Company has IPT member):	\$ 775.00
Non-Member - Individual and Company:	\$1,000.00

After August 27th:

There is an additional charge of \$25.00 for each of the above categories.

CANCELLATION FEE

\$100 for any filed registration. After September 17th, no refunds will be made. For more information regarding administrative policies such as complaint and refund, contact our office at (404) 240-2300.

SUBSTITUTION FEE

Prior to August 27th: \$40.00 After August 27th: \$50.00

CREDIT CARDS

The Institute accepts the following credit cards: American Express, MasterCard, and Visa. Please carefully follow the instructions on the IPT Registration Form if paying by credit card. Also be sure to note, where indicated, the correct and **complete** billing address for the credit card if it differs from your registration address.

CONTINUING EDUCATION CREDIT

The Institute for Professionals in Taxation is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: www.nasba.org.

Approximately 21 continuing education credit hours are available for full program attendance. In accordance with the standards of the National registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour. CMIs will obtain hour-for-hour continuing education credits for actual session attendance.

<i>Prerequisites:</i>	None
<i>Program Level:</i>	Intermediate Overview
<i>NASBA Field of Study:</i>	Taxation
<i>Instructional Method:</i>	Group Live
<i>Advanced Preparation:</i>	None

As required by regulatory agencies, IPT must verify individual attendance at sessions in order to grant Continuing Education Credits. Each attendee's name badge has a unique bar code that identifies that individual. In order to obtain CE credit, the individual must have his or her bar-coded badge scanned during the first 15 minutes of each session. No credit for the session will be given to un-scanned attendees. Lost name badges should be reported immediately to the registration desk for a replacement. Each attendee will be emailed a Certificate with the record of his or her scanned attendance approximately two weeks after the end of the program.

CMI DESIGNATION

The Institute for Professionals in Taxation's designation "Certified Member of the Institute" (CMI) is available to anyone who is a member of the Institute in good standing and who meets all other requirements. The purpose of the certification program is to further the professional development of its members. For further information, please contact the IPT Office or visit the Institute's web site (www.ipt.org).

RENAISSANCE ESMERALDA HOTEL AND IPT REGISTRATION FORMS

IPT has a negotiated special symposium room rate with the Renaissance Esmeralda Hotel in Indian Wells of \$189 plus tax for a Single, \$219 plus tax for a Double.

Both the IPT and the hotel registration forms are available on IPT's web site: www.ipt.org



WE'RE ON THE WEB
WWW.IPT.ORG