

BRUSSELS | 23 OCTOBER 2018

Recap: CIOT/CFE European Branch Milan Conference 2018



CIOT & CFE Tax Advisers Europe jointly hosted the annual CIOT European Branch Conference, in Milan, on 19 October 2018. The conference was held in a roundtable discussion format, with particular focus on recent taxation policy developments, the European Union proposals for taxation of the digital economy and OECD efforts to redefine international taxation principles concerning permanent establishment, as well as implications of the digitalising economy for business and tax advisers alike.

The conference was moderated by CFE President, Piergiorgio Valente, who opened the event with a high-level introduction to the framework and influences of taxation principles. Attendees were then given the opportunity to voice their opinion on how taxation principles should be redefined and discuss the challenges facing tax advisers and their profession. Gary Ashford, newly-elected Vice-President of CFE and Partner at Harbottle & Lewis in London, continued the roundtable discussions by instigating a discussion concerning the features and business models of companies in the digital economy, and the importance of intangible assets for these models.

Aleksandar Ivanovski, Tax Policy Manager, and Brodie McIntosh, Tax Technical Officer, from CFE Tax Advisers Europe, then gave a general overview of CFE's tax policy work and how policy is implemented into legislation within the EU, and provided a detailed summary of the status of the most topical active taxation files within the EU. Filipa Correia, Head of Tax Policy at Valente Associati GEB Partners, followed by leading a discussion concerning tax avoidance, and the impact that social media and propaganda has on forming tax policy. The debate on this topic drew out divergent views in relation to imposing ethical standards on corporations concerning taxation, and the proper means by which tax policy should be developed and implemented at national and international level.

Paolo Zanenga, Partner at TWG Consulting and Lecturer at Politecnico, gave a presentation concerning geopolitics and taxation. Mr Zanenga highlighted significant events in history which had led to comprehensive overhauls of the way in which trade was carried out, providing a historical perspective to the discussion of the digitalisation of business practices and the evolution of taxation principles.

Anna Manitarà, Senior Adviser in International Tax and EU Policy at Valente Associati GEB Partners, and Aleksandar Ivanovski, Tax Policy Manager at CFE Tax Advisers Europe, gave the final presentation at the conference, a joint discussion on state aid and the developments leading to the investigations and rulings of the European Commission in recent years involving Starbucks, Apple, Amazon and McDonalds.

Piergiorgio Valente closed the roundtable by stimulating a final debate related to state aid, namely in answering the question of where untaxed profits on the sale of electronic devices ought to be repatriated and taxed, demonstrating that consensus on issues related to value creation and taxation rights apportionment is indeed difficult to achieve.

The roundtable conference brought together around 30 participants, including policy advisers, practitioners, academics, students, together with representatives from the wider business industry.
