

## **IFA 74th Annual Congress**

### **Berlin, Germany**

### **Subject 1**

#### **Group approach and separate entity approach in domestic and international tax law**

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**Chair:** Janine Juggins (United Kingdom)

#### **Short description**

Most corporate taxation systems began life under a separate entity approach. Over time elements of a group approach have been layered on top. However, certain of the BEPS developments have further expanded the scope for groups to be treated differently in the context of cross border transactions. Pillars 1 and 2 go even further in some cases for larger groups by disconnecting the group treatment from the underlying transaction. Being part of a larger group now imposes a spectrum of approaches ranging from transactional to transactional with group testing, to a group approach and to a formulaic approach. This session will explore the practical challenges created particularly when it comes to tax neutrality and a level playing field, and the policy grounds on which these differences may be justified.