International Taxation: Double Tax Treaties, Permanent Establishment and Pillar Two

2 – 6 August 2027
London - Central London four-star

International Taxation: Double Tax Treaties, Permanent Establishment and Pillar Two

Ref: 69_9015 **Date:** 2 – 6 August 2027 **Location:** London - Central London four-star **Fees:** 23000 SAR

Introduction:

International taxation exposure grows each time a group sells, hires, lends or licenses across a border, because two tax systems can claim the same profit. Finance teams that misjudge tax residence, create an unplanned permanent establishment or overlook treaty withholding rates pay double tax and face long disputes. This Core Concept course equips finance professionals to apply source and residence rules, double tax treaties following the OECD Model Tax Convention, relief methods, anti-avoidance tests and the Pillar Two global minimum tax. Participants build a Cross-Border Tax Exposure Map and Treaty Relief Model.

Course Objectives:

- Determine the tax residence of companies and the source of cross-border income using place of effective management tests and treaty tie-breaker rules
- Assess whether foreign activities create a permanent establishment under fixed place, dependent agent, construction and service criteria, and attribute profit to it
- Apply double tax treaty articles on dividends, interest and royalties to calculate withholding tax and claim relief by the exemption or credit method
- Screen cross-border structures against controlled foreign company rules, beneficial ownership requirements and the principal purpose test
- Estimate a group's exposure to the Pillar Two GloBE rules through effective tax rate and top-up tax calculations at overview level
- Design cross-border operating and payment flows with a documented tax risk register and treaty position file

Target Audience:

- Tax managers accountable for group corporate tax positions and cross-border filings
- Group finance and financial controllers who account for foreign subsidiaries, branches and tax provisions
- Treasury managers who arrange cross-border dividends, intragroup loans and royalty payments
- Business development and project finance managers who set up operations and contracts abroad
- Tax risk and internal audit managers who review foreign tax exposure and documentation controls

Course Outline:

Day 1: Foundations of International Taxation: Residence and Source

- Juridical and Economic Double Taxation: Causes and Cost to the Group
- Corporate Tax Residence: Incorporation and Place of Effective Management Tests
- Source Rules for Business Profits, Passive Income and Service Fees
- Treaty Tie-Breaker Rules for Dual-Resident Companies
- Group Cross-Border Income Inventory and Tax Footprint Chart

Day 2: Double Tax Treaties and the OECD Model Tax Convention

- OECD Model Tax Convention Structure, Commentary and Treaty Interpretation
- Article 5 Permanent Establishment: Fixed Place, Construction and Dependent Agent Tests
- Articles 10 to 12: Treaty Rates for Dividends, Interest and Royalties
- Articles 23A and 23B: Exemption and Credit Relief Methods Compared
- Article 25 Mutual Agreement Procedure and Treaty Dispute Routes

Day 3: Withholding Tax and Permanent Establishment in Practice

- Withholding Tax Rate Matrix for Cross-Border Payment Flows
- Beneficial Ownership Evidence and Tax Residence Certificates
- Service Fee Characterisation: Business Profits, Technical Fees or Royalties
- Profit Attribution to a Permanent Establishment and Branch Accounts
- Foreign Tax Credit Calculation Worksheet and Unrelieved Tax Tracking

Day 4: Anti-Avoidance, BEPS Actions and Pillar Two

- Controlled Foreign Company Rules under BEPS Action 3 in General Terms
- Hybrid Mismatches and Interest Limitation under BEPS Actions 2 and 4
- Treaty Shopping, Principal Purpose Test and the Multilateral Instrument under BEPS Action 6
- Pillar Two GloBE Rules: Scope, Income Inclusion Rule and Undertaxed Profits Rule
- Qualified Domestic Minimum Top-up Tax, Jurisdictional Effective Tax Rate and GloBE Information Return

Day 5: Modelling Build: Cross-Border Tax Exposure Map and Treaty Relief Model

- Engineering Contractor Case: Project Site Permanent Establishment Assessment
- Technology Licensing Case: Royalty Withholding and Treaty Relief Calculation
- Holding Company Case: Dividend Route Review Against Substance and Anti-Avoidance Tests
- Pillar Two Top-Up Tax Estimate for a Multi-Country Group
- Tax Risk Register, Treaty Position File and Exposure Map Assembly

Skills You Will Gain:

- Tax Residence Analysis
- Permanent Establishment Risk Assessment
- Treaty Article Interpretation
- Withholding Tax Computation
- Foreign Tax Credit Relief
- Anti-Avoidance Screening
- Global Minimum Tax Estimation
- International Tax Risk Documentation

Why Attend This Course:

- Return with a Cross-Border Tax Exposure Map and Treaty Relief Model built on the payment flows and foreign activities of your own organisation
- Spot activities abroad that may create a permanent establishment before contracts are signed or staff are posted
- Challenge withholding deductions and claim treaty rates with the evidence tax administrations ask for
- Brief senior management on how BEPS measures and the global minimum tax change the value of existing structures

Conclusion:

Cross-border tax positions hold only when residence, source, treaty entitlement and relief are tested together and documented. The course moves from residence and source rules, through the OECD Model Tax Convention, permanent establishment and withholding tax, to anti-avoidance rules, BEPS actions and the Pillar Two global minimum tax. The final day applies these rules to engineering, technology and holding company cases and produces a Cross-Border Tax Exposure Map and Treaty Relief Model that finance teams can update as operations change.