



Tax Opportunities & Challenges in Digital Economy

Moderator

M. Sathya Kumar - CEO & Founder, Tycoon+ Advisors India

Panel Speakers

Dr. Veerinderjeet Singh - Group Executive Chairman, Axcelasia Inc

David Lyford Smith - Technical Manager IT & The Profession, ICAEW

Sivakumar Saravanan - Executive Director, Crowe Horwath First Trust Tax Pte Ltd

**Mahmood Daud - Deputy Chief Executive Officer (Tax Operation) , Inland Revenue
Board of Malaysia**

What is the digital economy?

“The digital economy is the result of a transformative process brought by information and communication technology (ICT), which has made technologies cheaper, more powerful, and widely standardized, improving business processes and bolstering innovation across all sectors of the economy.”

OECD: Addressing the Tax Challenges of the Digital Economy, 2015, p. 11

Main Tax Challenges

Overall concerns

- Legal uncertainty for taxpayers and tax administrations
- Risk of base erosion and profit shifting (BEPS)

Lack of "nexus" for tax purposes

- Jurisdiction to tax – residence and source
- Place of effective management
- Permanent establishment

Main Tax Challenges

Treatment of IP and data

- IP – Identification, valuation and (contractual) allocation
- Extensive and sophisticated use of data

Characterization of payments

- Cloud computing

Main Tax Challenges

Other challenges

- The internet of things
- 3D printing
- The sharing economy
- Use of digital currencies

**Every Challenge is a Opportunity for the
Professional !**



Thank You