



26 June 2024

Tax considerations for your international **Natural Resources** business

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▀ Agenda



01 Stages



02 Set up



03 Extraction and
production



04 Commercialisation



05 Shut down



06 Q&A

Today's speakers



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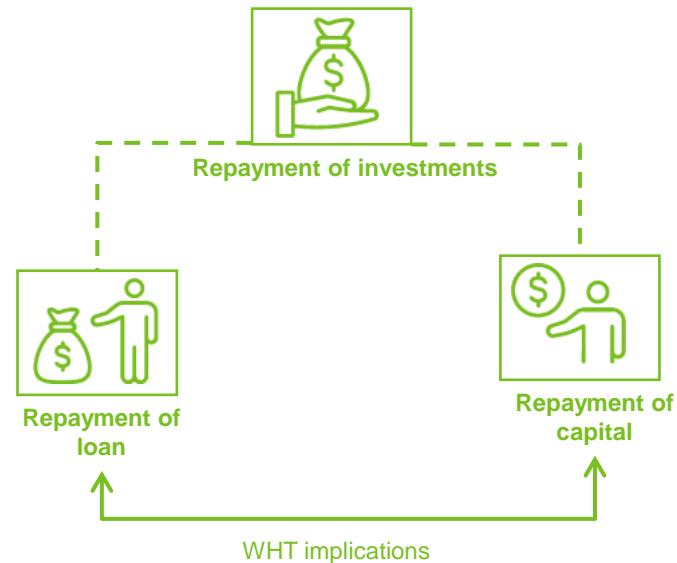
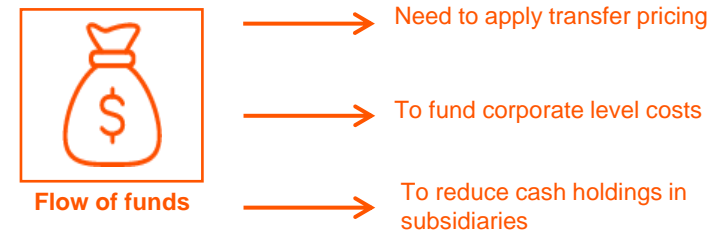
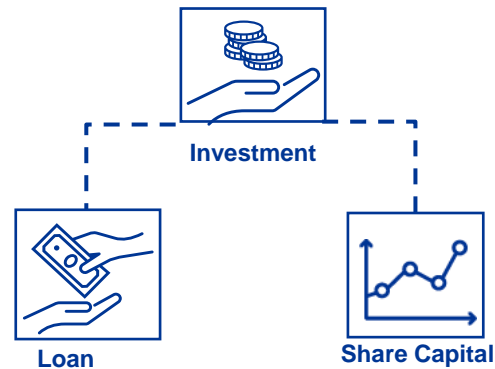
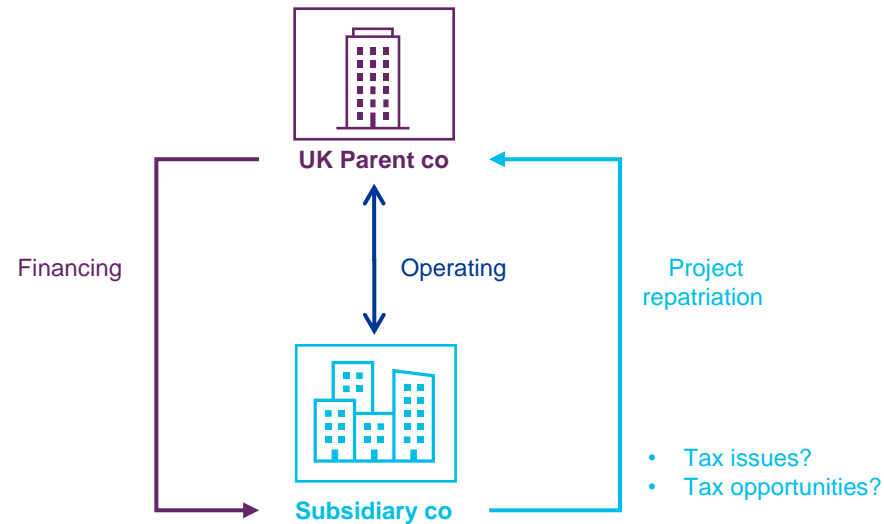
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Corporate tax considerations

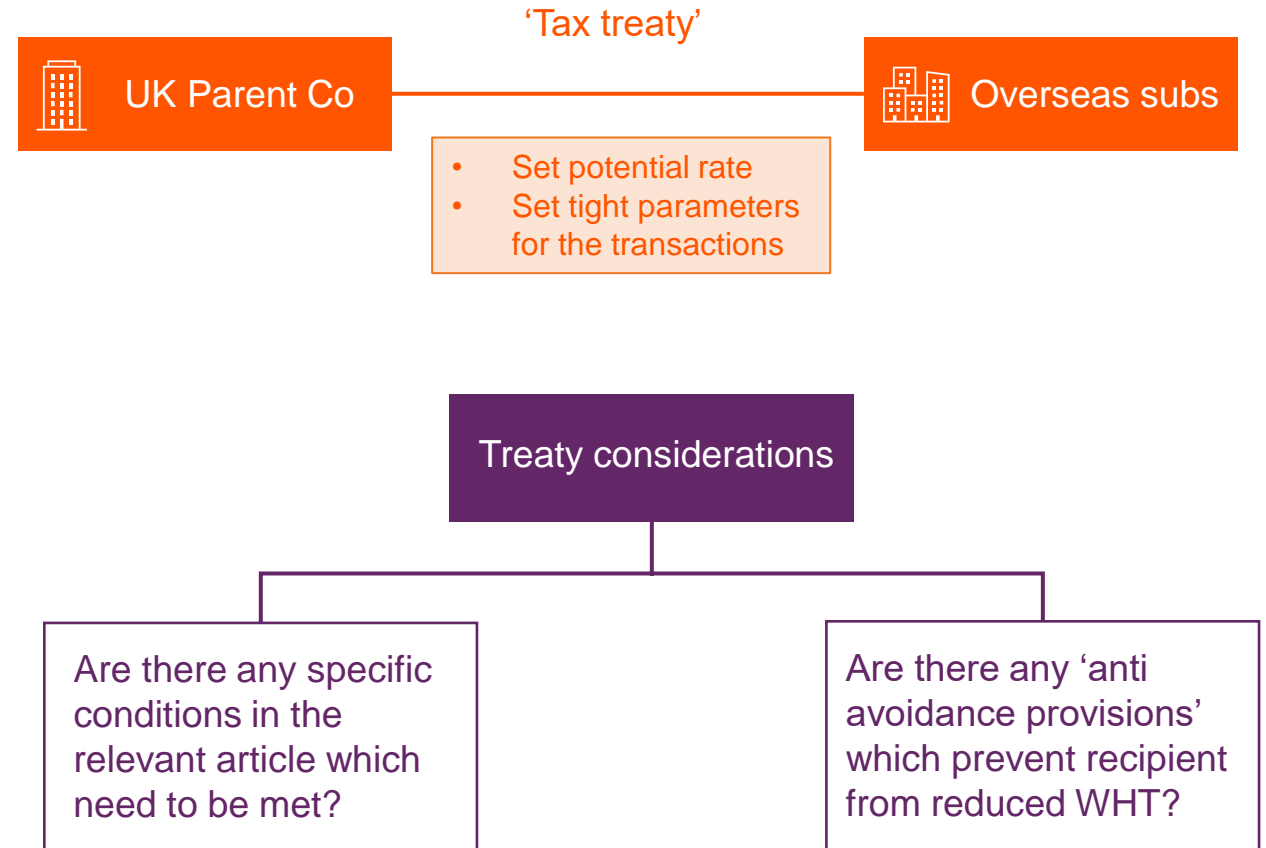
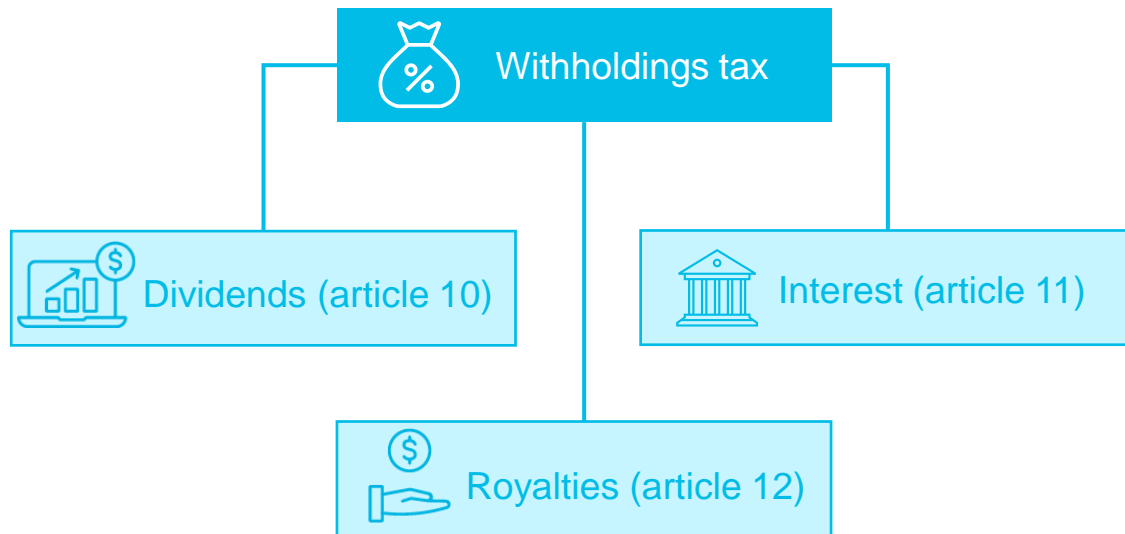


- Legal complexities
- Capital controls
- Investment incentives
- Tax exemptions (e.g., Dividends)
- Sunk costs
- Tax treaties

Corporate tax considerations

Tax treaties

Most tax treaties the UK has with other countries are based on OECD Model Tax Convention.



Transfer pricing



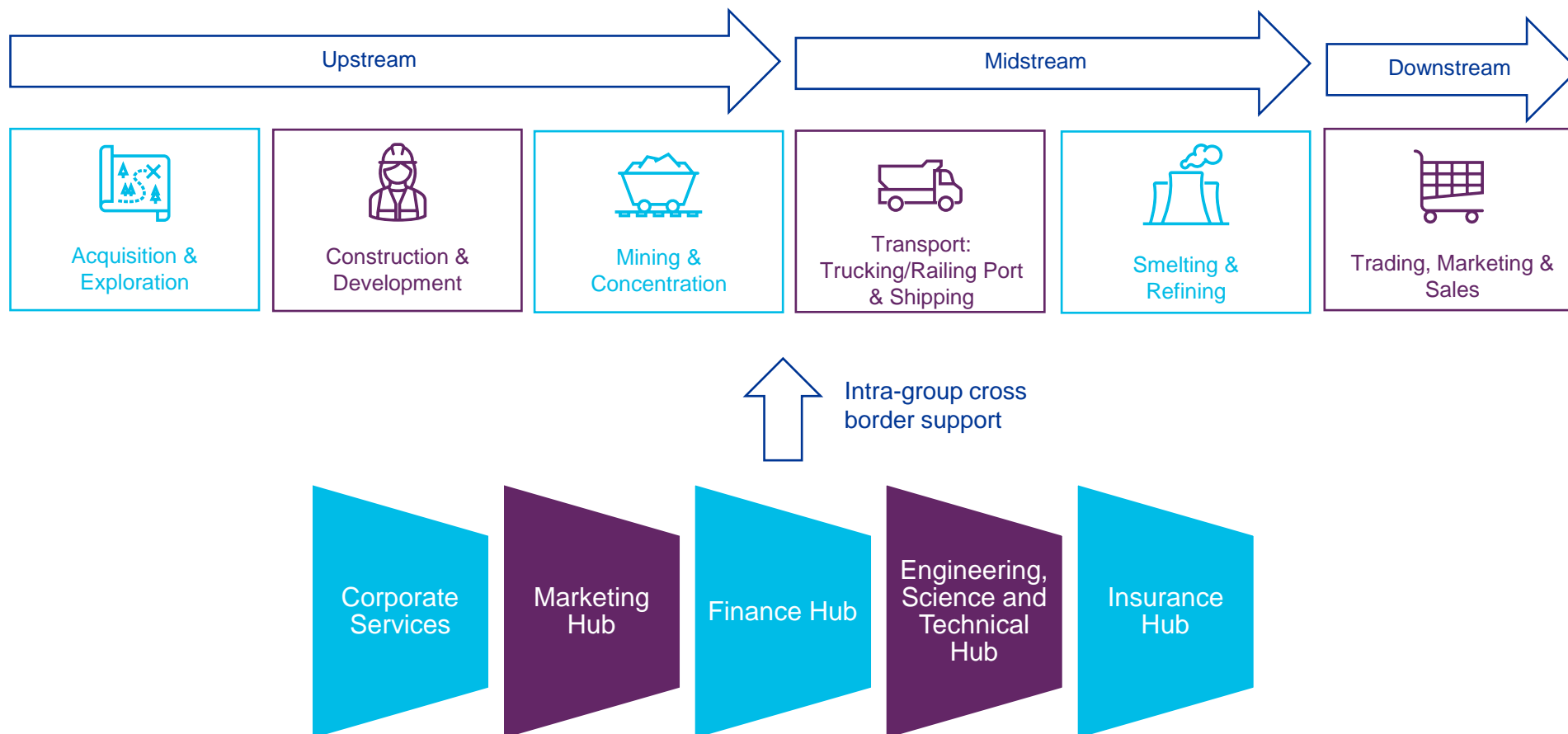
Global tax, transfer pricing and regulatory landscape

Understanding value chains

Intra-group cross-border support = Transfer pricing / tax efficiency implications

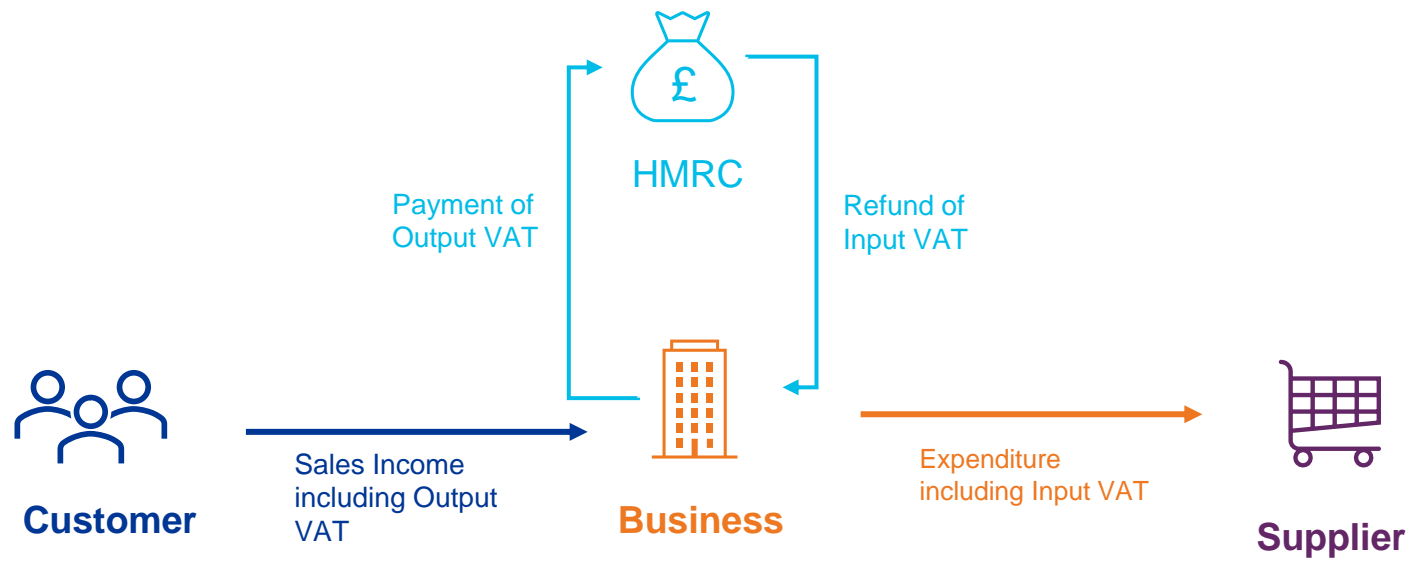
The transfer pricing policy challenge

The implications of greater scrutiny

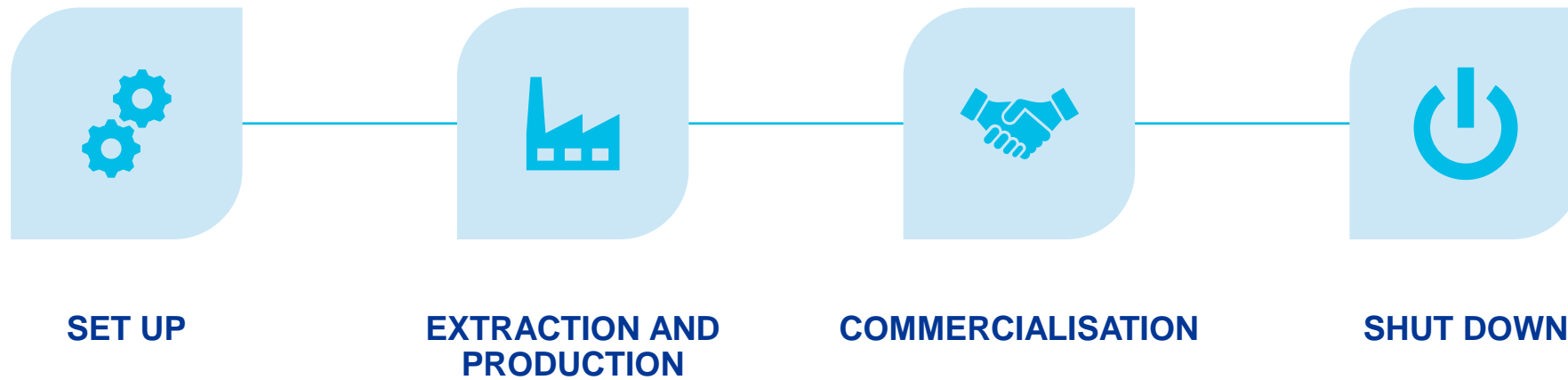


Each Natural Resources business has its own value chain, which should be mapped to critically evaluate the business, tax and regulatory implications.

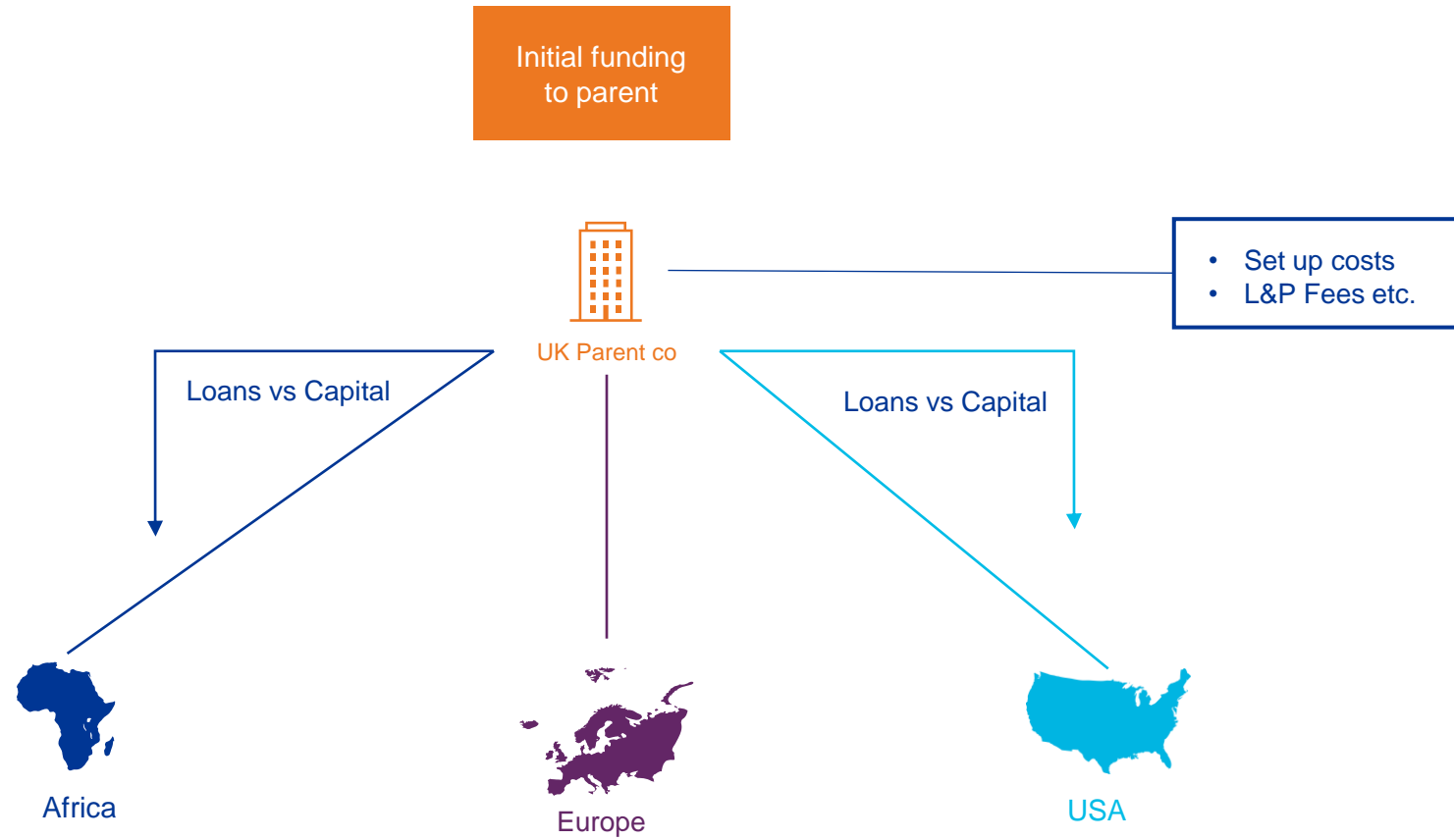
Flows of VAT



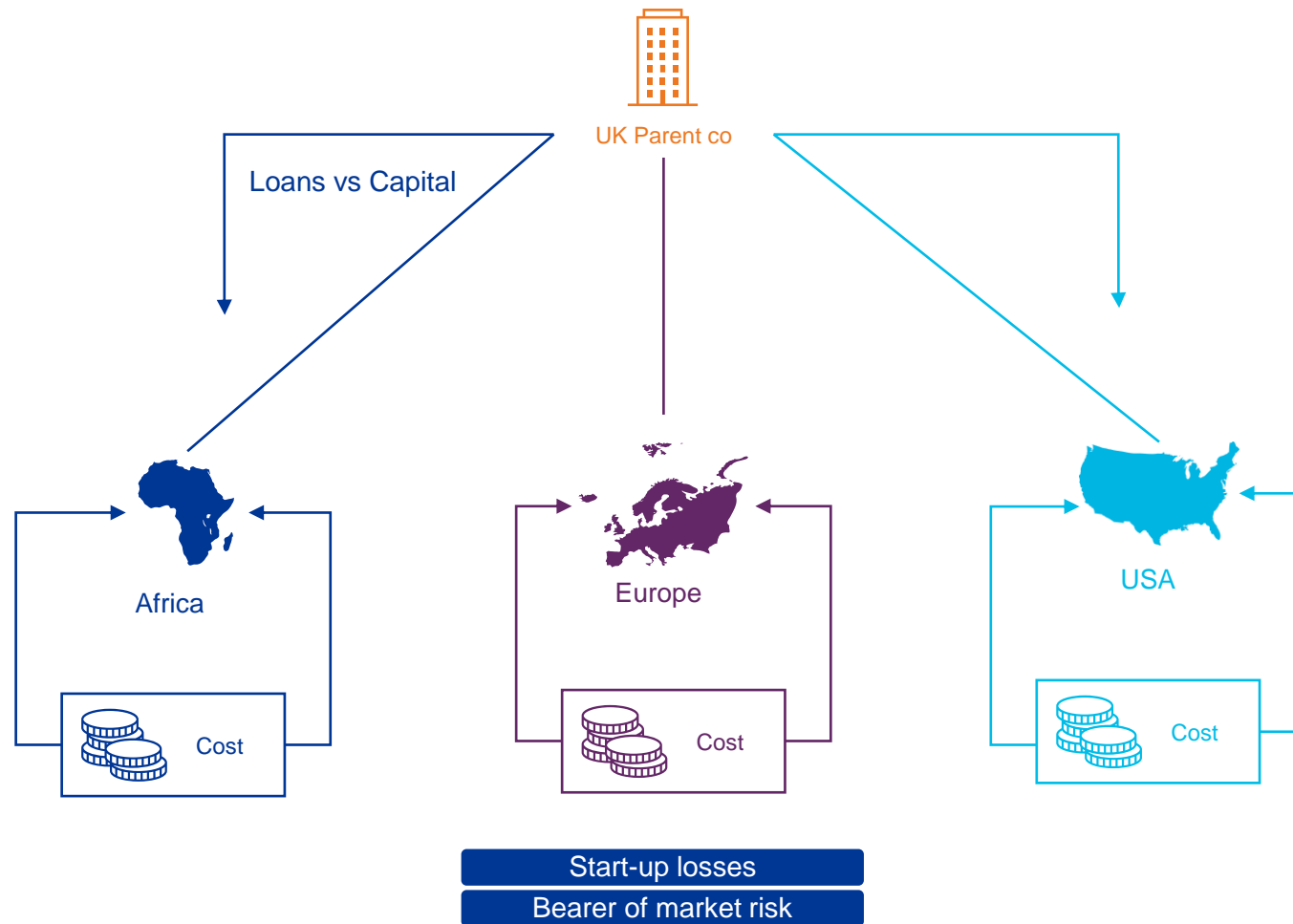
▀ Stages



Set up



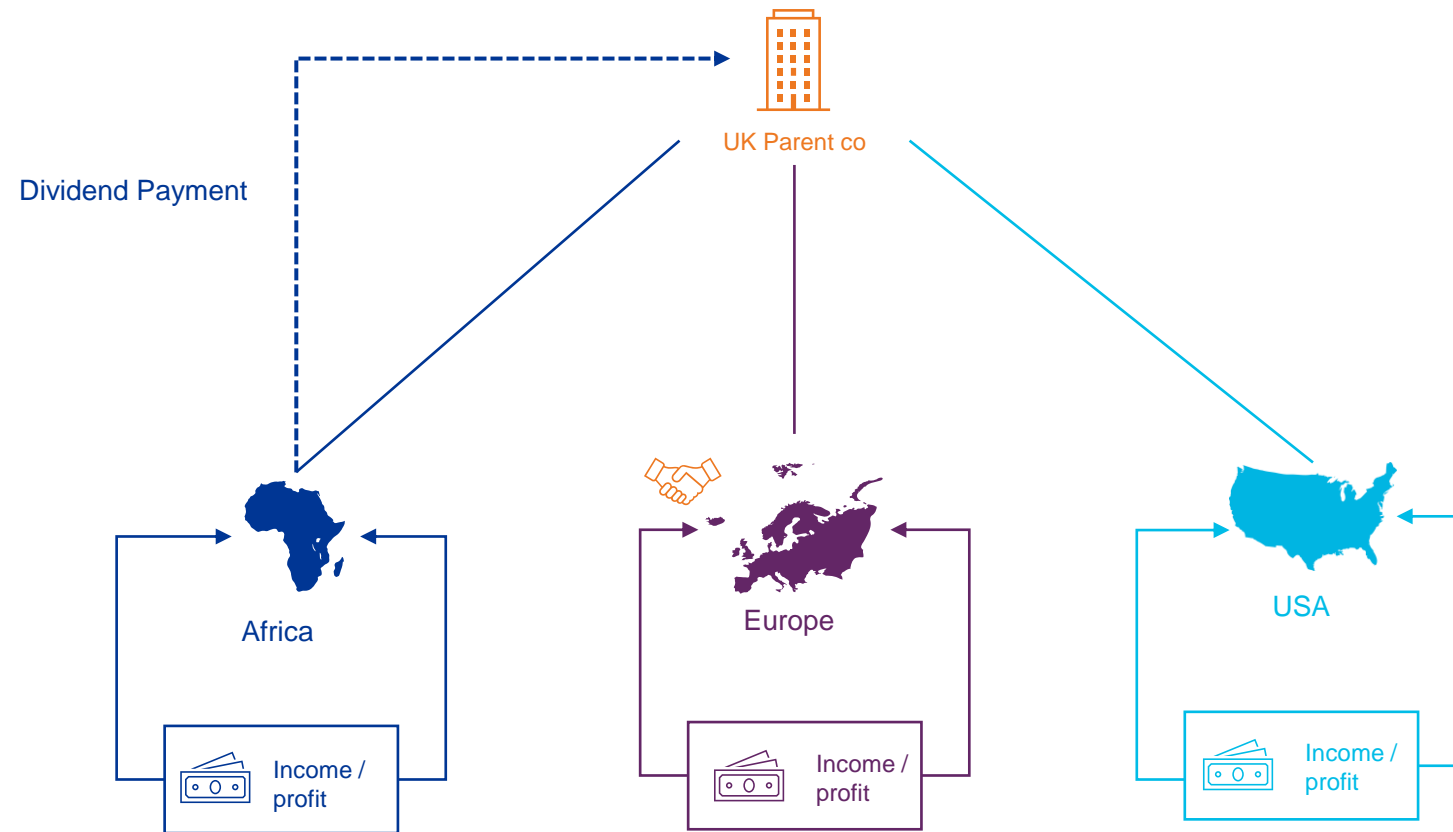
Extraction and production



Ongoing business / tax arrangements

- Loan
- Services, e.g. management, technical
- IP licensing
- Asset leasing
- Personnel provision

Commercialisation



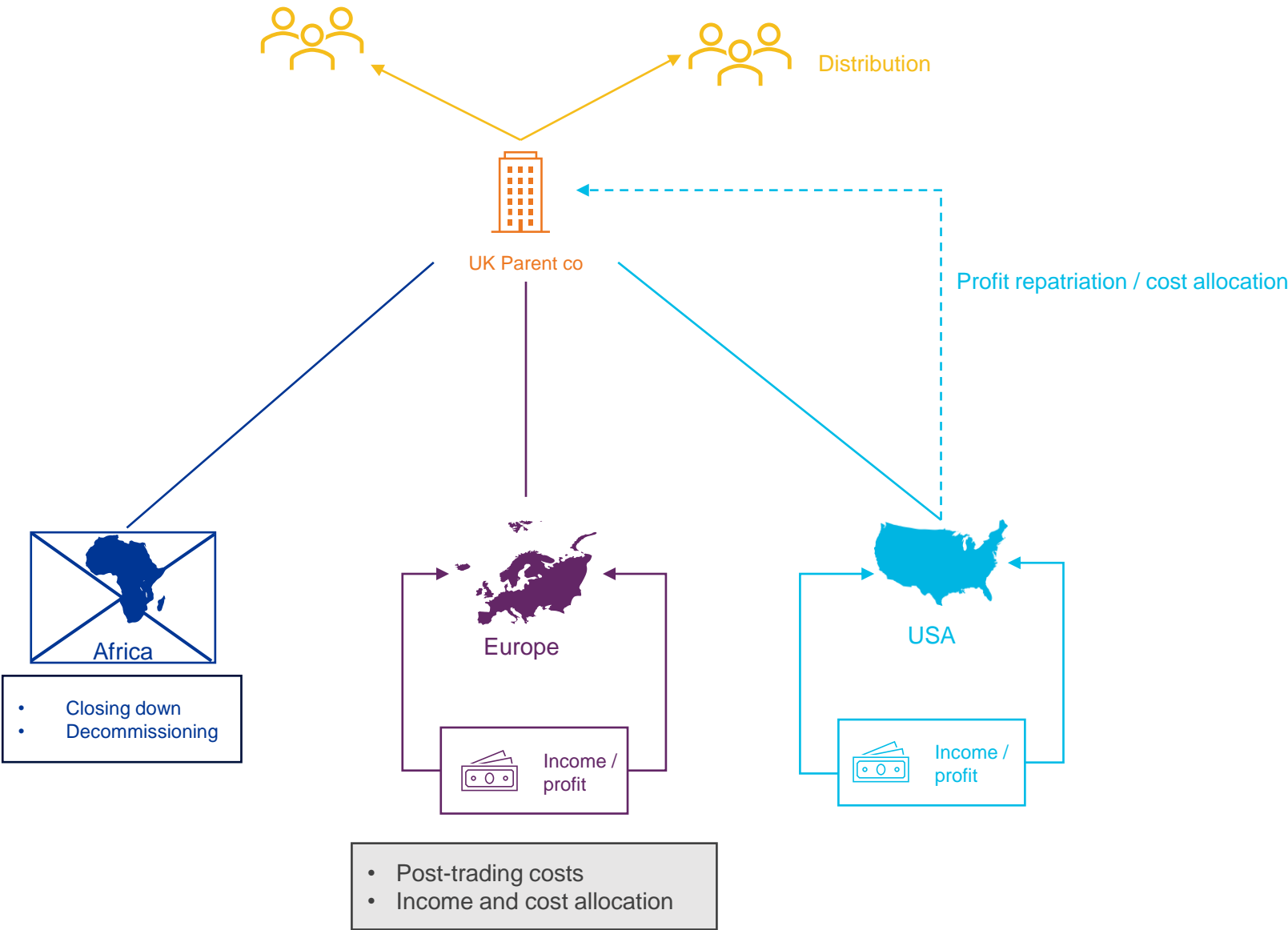
- Ongoing initial tax structure impacts
- Potential business and tax structuring options e.g. HQ / operations hubs for procurement, sales and marketing

- Profit generation
- Entitlement to market reward
- Supply chain optimisation

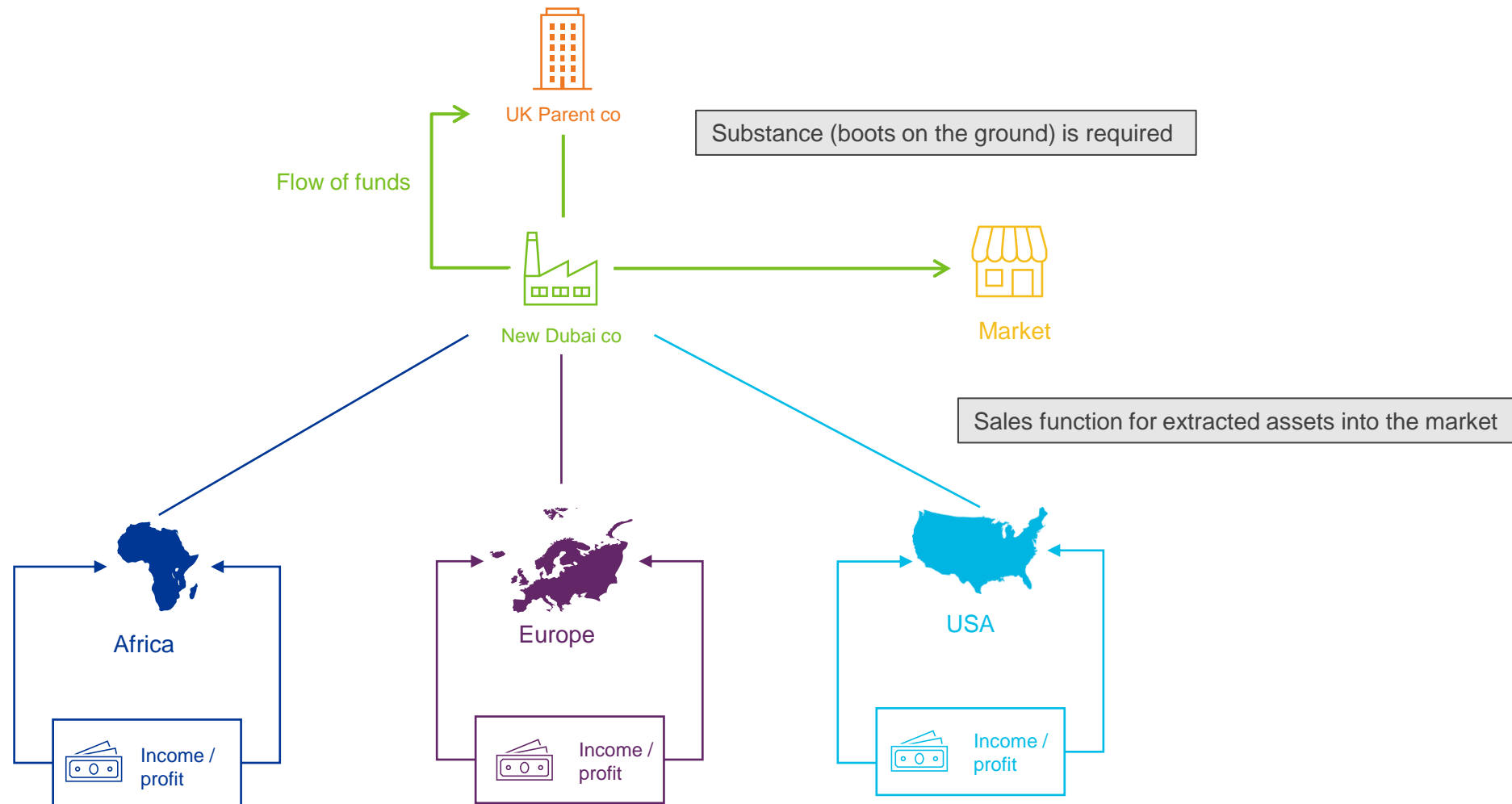
Key:

Sale of subsidiary

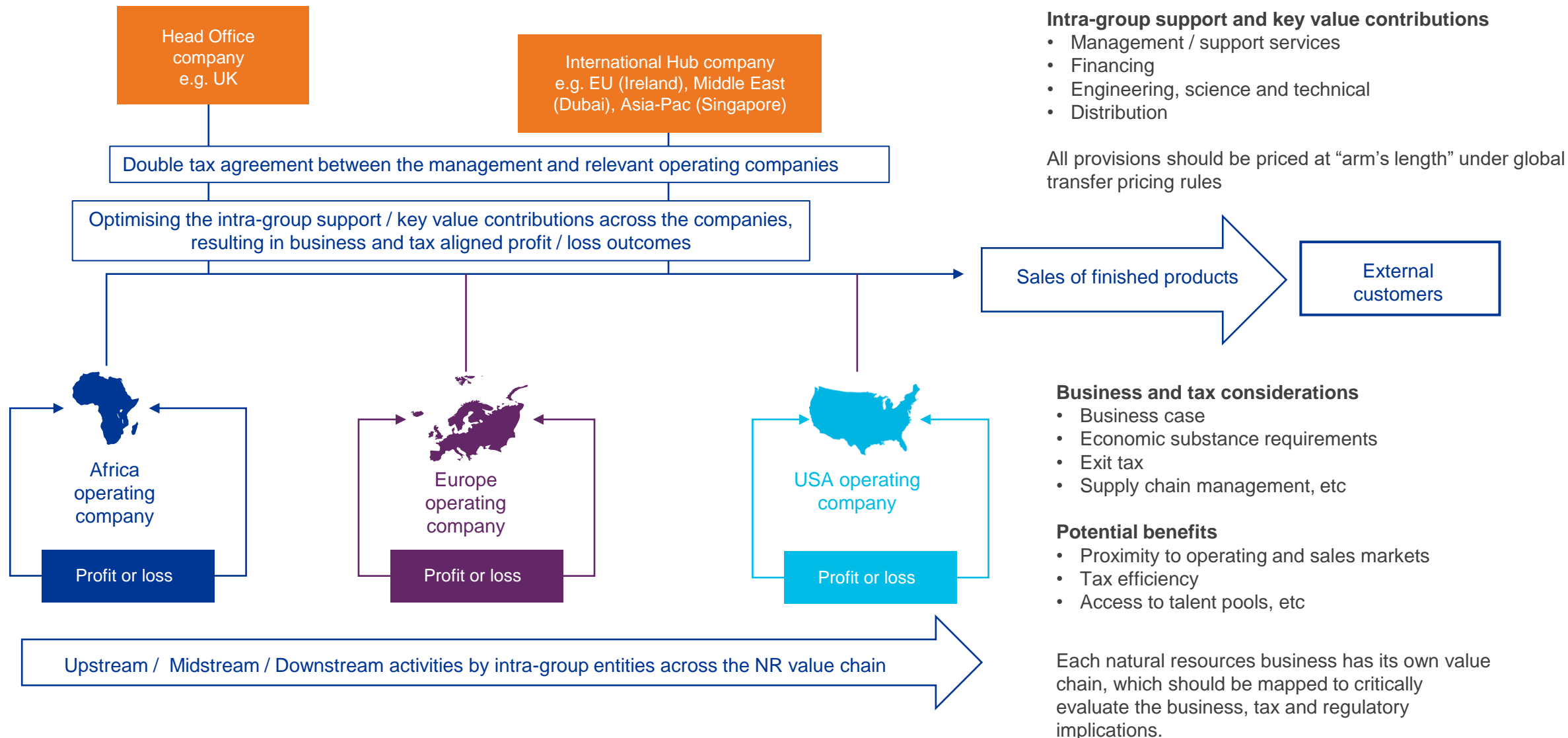
Shut Down



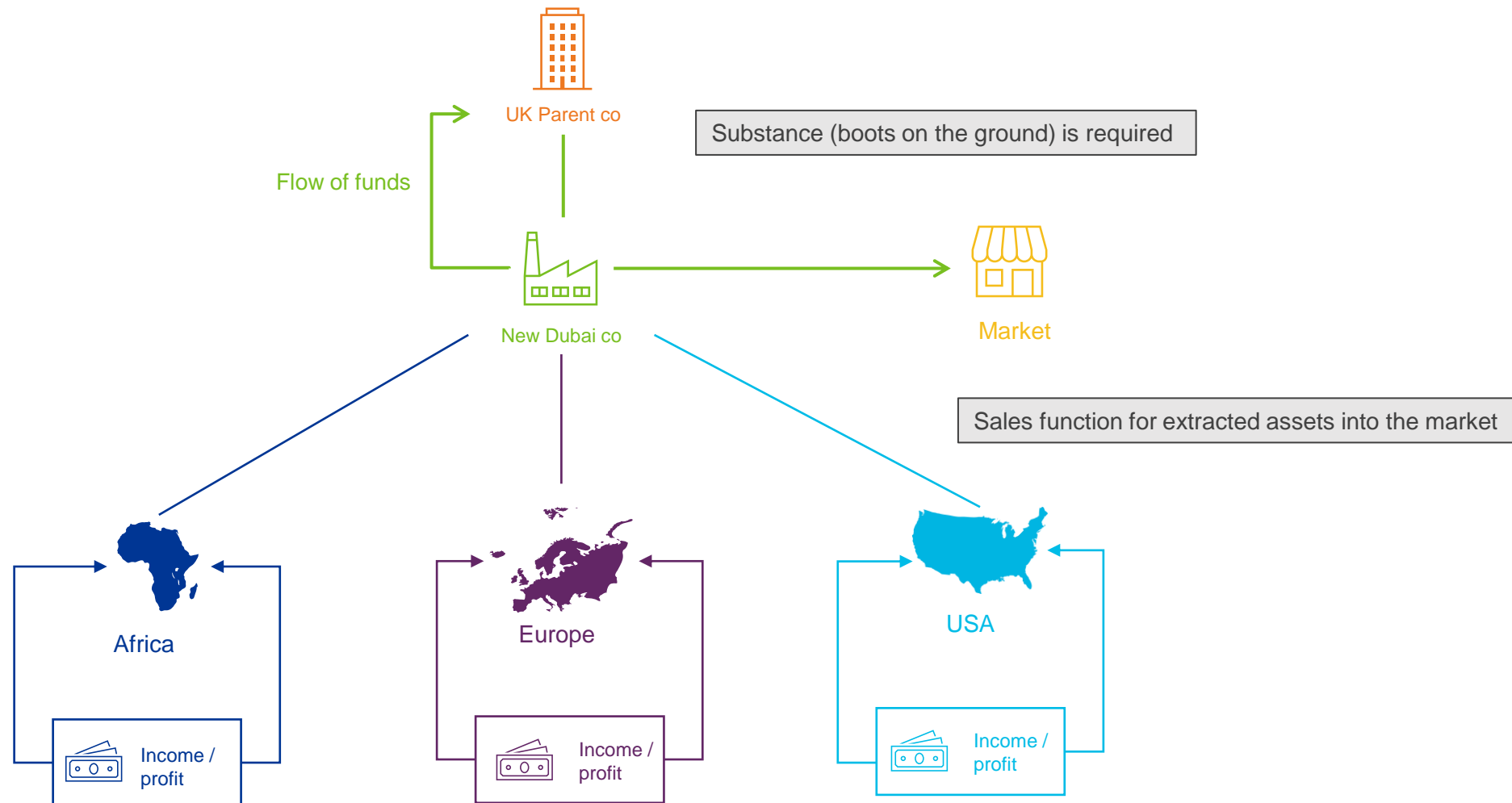
Alternative approach



International expansion



Alternative approach





Any questions?



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