

Question 1

Article 7 of Malaysia's double tax treaties denies Malaysia the right to tax business profits of an enterprise where the enterprise has no permanent establishment in Malaysia. This principle gives rise to *inter alia* a few issues: When will a taxpayer's activities amount to an enterprise? What are business profits? When does the foreign taxpayer have a permanent establishment in Malaysia? Write an essay that considers these issues. Conclude with your evaluation of Article 7 (References to tax cases are encouraged).

Question 2

In order to protect source taxation rights, some countries include anti-abuse or treaty shopping provisions in their tax treaties. Some examples are the beneficial ownership rules or the limitation of benefits provision. Write an essay that explains the rationale and the fiscal consequences of such rules. Please include specific references to treaties with such provisions. Conclude with your evaluation on the effectiveness of such rules (References to tax cases are encouraged).

Question 3

In recognition that taxpayers may attempt to reduce their tax liability by shifting profits to related persons offshore, countries introduce transfer pricing provisions. Transfer pricing is also at the heart of the Organisation for Economic Cooperation and Development's (OECD) current initiative to prevent base erosion and profit shifting (BEPS). Write an essay that considers some of the OECD's proposals. Evaluate whether Malaysia's existing transfer pricing laws adequately protect Malaysia's base or whether Malaysia needs to introduce some of the proposed BEPS' transfer pricing initiatives into laws (References to tax cases are encouraged).
