

Series Editor's Preface

The postgraduate program in International Tax Law at WU (Vienna University of Economics and Business) is available either as a one-year full-time or a two-year part-time program. Students attend not only a vast number of courses, for which they prepare papers and case studies, and sit numerous examinations, but they also write their Master's theses. These theses are a prerequisite for the academic degree "Master of Laws (LL.M.)".

The program follows a scheme under which the Master's theses of one particular program all look at various aspects of the same general topic. The previous general topics were "Electronic Commerce and Taxation" (1999/2000 full-time program), "Partnerships in International Tax Law" (2000/2001 full-time program), "Transfer Pricing" (1999/2001 part-time program), "Exemption and Credit methods in Tax Treaties" (2001/2002 full-time program), "Permanent Establishments in International Tax Law" (2002/2003 full-time program), "Non-discrimination Provisions in Tax Treaties" (2001/2003 part-time program), "Triangular Cases" (2003/2004 full-time program), "Tax Treaty Policy and Development" (2004/2005 full-time program), "Source versus Residence in International Tax Law" (2003/2005 part-time program), "The Relevance of WTO Law for Tax Matters" (2005/2006 full-time program), "Conflicts of Qualification in Tax Treaty Law" (2006/2007 full-time program), "Taxation of Artistes and Sportsmen in International Tax Law" (2005/2007 part-time program), "Fundamental Issues and Practical Problems in Tax Treaty Interpretation" (2007/2008 full-time program), "Dual Residence in Tax Treaty Law and EC Law" (2008/2009 full-time program), "Taxation of Employment Income in International Tax Law" (2007/2009 part-time program), "The EU's External Dimension in Direct Tax Matters" (2009/2010 full-time program), "History of Tax Treaties" (2010/2011 full-time program), "Permanent Establishments in International and EU Tax Law" (2009/2011 part-time program), "International Group Financing and Taxes" (2011/2012 full-time program), "Limits to Tax Planning" (2011/2013 part-time program) and "Exchange of Information for Tax Purposes" (2012/2013 full-time program). The respective Master's theses were published in edited volumes.

The general topic for the 2013/2014 full-time program was "Tax Policy Challenges in the 21st Century". A common subject not only encourages students to discuss their theses with one another, but also permits supervision of the students in accompanying courses. Prof. Jeffrey Owens introduced the students to the subject

matter at the beginning of the program. Raffaele Petruzzi and Karoline Spies held seminars in which the structure of the papers and the intermediary results were critically analyzed. It was with great commitment that they supported the students who were preparing their Master's theses. Their numerous suggestions helped to improve the quality of the Master's theses and, as a consequence, the quality of the present volume. In my function both as the scientific director of the postgraduate program and the editor of this series I would not only like to thank those two colleagues for their excellent engagement and efforts but also to express my gratitude to them.

I am also grateful to the students themselves. They pursued the program with great enthusiasm. This postgraduate program not only gave them the opportunity to talk to academics and scientifically qualified interns from all over the world and to acquire a wealth of knowledge, but they also learned to tackle and solve complex issues using a structured approach. The Master's theses now available bear witness to this. I hope that the results of these papers will both influence the scientific discussion and be of use to tax practitioners.

Michael Lang

Editors' Preface

The present volume comprises the Master's theses of the full-time students attending the 2013/14 class of the postgraduate LL.M. program "International Tax Law" at WU (Vienna University of Economics and Business).

The international political and economic setting has changed significantly in the past years. Individuals as well as companies have become increasingly mobile and have spread their activities and investments across borders and continents. In addition, the economic and financial crisis has had a major impact on states' policy in the economic as well as the tax law area. National taxation systems worldwide have been subject to significant changes. International cooperation in tax matters is increasing. New challenges in various areas of tax law, from VAT/GST, taxation of the financial sector, transfer pricing, co-operative compliance to exchange of information, are arising. These developments bring various risks and challenges, but also opportunities for different players and countries.

This book aims at identifying the major developments in tax policy in the 21st century on a national as well as on an international level and gives an in-depth analysis of the risks, challenges and opportunities connected to these developments. The Master's theses in this book cover numerous different issues ranging from challenges in the VAT/GST area, the taxation of the financial sector (the financial transaction tax as well as bank levies), the fight against tax abuse and tax evasion (especially in the area of multinational enterprises and high-net worth individuals), tax integration within the EU, the development of transfer pricing rules, the increasing role of co-operative compliance and good governance and the changing tax policies of developing and newly industrialized countries. The contributions in this book build upon a legal comparison of the national tax systems in the relevant fields, propose tax policy solutions where required and give ideas on how to go forward.

The students have done a great job in capturing the core issues of their individual topics and tackling them in an accurate, political, and scientific way. The contributions included in this book illustrate and impressively reflect the great variety of the students' personal, cultural, and professional backgrounds.

It was our task and our pleasure to provide the students with critical support at all stages of their research and during the writing of their Master's theses. Motivating them to develop their own ideas, to go the extra mile in their research and then

present their achievements was very rewarding. We would like to thank the students for their commitment and congratulate them on the successful completion of their studies.

In addition, we would like to express our sincere gratitude to Linde publishing house for the opportunity to publish this volume. Having Linde as a partner means great support and the professional cooperation needed to make a project such as the one at hand a success. Sincere thanks are also given to Ms Margaret Nettinga, who contributed to the completion of this book by revising the Master's theses from a linguistic point of view.

Raffaele Petruzzi

Karoline Spies