

Tax and your business strategy

Tax

Tax and the post-pandemic rebalancing



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Over the past two years, enterprises, governments and citizens have grappled with unparalleled technological evolution and new business models, as well as significant tax reforms, regulatory changes, geopolitical challenges and climate concerns.

Amid the wind-down of stimulus packages, inflation and in some cases higher cash reserves, corporate tax strategies are becoming central to the pursuit of digitalisation, M&A and supply chain restructuring.

Against the backdrop of a widespread prioritisation of ESG principles, there is a global push towards tax compliance and fair taxation. As a result, the OECD has proposed two major shifts. Pillar One addresses the need for multinationals to pay tax based on revenue generated in the countries where they operate, not just where they are physically located. Pillar Two meanwhile aims to set a minimum global company tax rate.

But as traditional stakeholders across the world are increasingly seeking a unified approach to tackling inequalities, they are being disintermediated by fast-moving technologies such as cryptocurrencies, non-fungible tokens (NFTs) and decentralised finance (DeFi). This means that companies wishing to experiment with innovation must also aim to adhere to global tax rules that may struggle to keep pace.

Looking ahead, finance executives must walk a fine line between competing interests: multilateralism and protectionism; innovation and regulation; capitalism and social inclusion; climate and continued revenue growth.

Because taxation – who is taxed, where and how – linking all of these themes, it is vital to access the best advice. Our 500-strong global tax group works across sectors, markets and expertise areas such as technology, M&A and ESG to help you identify legal and policy shifts, maximise tax effectiveness and overcome disputes to make the best of your business in 2022 and beyond.



Tax solutions with business insight

Ready to meet your tax needs everywhere, we provide a seamless, coordinated service on cross-border projects to balance your business objectives with tax compliance

requirements and plans. Our tax specialists are committed to understanding your business and delivering effective strategic solutions to your tax and legal concerns.



Local expertise, global vision

Our lawyers know your local markets and tax rules inside out. And, in today's connected world, we offer you a global perspective and extensive international reach. CMS tax experts based in more than 40 jurisdictions are members of a cohesive global team, working together to deliver best-in-class service and

solutions. We also have strong links with top tax firms in jurisdictions where there is no CMS office, enabling us to handle all your local and cross-border mandates, delivering solutions wherever and whenever you need them. This means we are equipped to handle all your local and cross-border mandates.



Forward-thinking

Getting you the right result and anticipating what is ahead are our top priorities. We help you tackle today's challenges and look to the future through robust tax and financial strategies that further your business goals, address key risks and protect your reputation. CMS is ahead of the curve on legal and regulatory issues. Members of our

team are leading players in key national and international tax bodies – including IFA and IBA. We stay at the forefront of developments in the planning and compliance rules that affect your business.

Case studies

Global tax and transfer pricing advice

Ariston Group is a global leader in thermic comfort and energy efficiency. With over 7,400 employees, the company sells products in over 150 countries worldwide. As a result, the business has significant tax considerations and transfer pricing requirements.

CMS advises Ariston Thermo Group on recurrent and extra-ordinary requests in tax and transfer pricing in over 40 countries, including Italy, Germany, Belgium, China, France, Romania, Russia, Spain, UK, the Netherlands, Indonesia, Vietnam.

Our advice has included:

- planning and implementation of the Group transfer pricing policy;
- review of the Research & Development division;
- global compliance and preparation of Transfer Pricing studies for the Ariston Division entities;
- business restructuring projects to reshape the Group footprint;
- support in the audit and settlement procedures in several key jurisdictions;
- assistance in managing Mutual Agreement Procedures in Europe.



Clients praise the team for its client service, highlighting in particular its “responsiveness and ability to quickly mobilise large teams.”

Chambers Europe 2021

International tax advice instrumental to a successful acquisition

A French listed company acquired the industrial business of a US organisation operating internationally. CMS tax advice relating to France, UK and India was instrumental to a successful acquisition for our client.

The management of tax risks was technically and commercially complex – the acquired business was carved out before the deal was completed so it was separated legally and operationally from the rest of the business (which was retained by the seller).

Our advice included:

- tax due diligence;
- the review and negotiation of the legal documentation; from a tax perspective;
- the structuring of the acquisition; e
- the anticipation of the post-closing restructuring.



Another client appreciates the team's "brilliant knowledge of the subject, excellent personal treatment and well-crafted solutions."

Chambers Europe 2021

CMS Tax at a glance

More than

150 *tax partners globally*

More than

500 *tax lawyers & advisors globally*

We advise on mergers & acquisitions, transfer pricing, VAT, dispute resolution, international taxation and private clients.

OUR TEAM IS QUALIFIED TO HANDLE TAX DISPUTES WITH TAX AUTHORITIES AND BEFORE TAX TRIBUNALS AND WE HAVE A STRONG TRACK RECORD OF ADVISING ORGANISATIONS ON THE TAX STRUCTURING OF IMPORTANT PROJECTS, USING A SOLUTION-ORIENTED APPROACH.



MEMBERS OF INTERNATIONAL BAR ASSOCIATION
& INTERNATIONAL FISCAL ASSOCIATION

» **Top ranked**
*Chambers Global
and Europe, 2021*



» **Top ranked**
Legal 500 EMEA



Our track record

A top 30 global Oil & Gas company Advice on the full suite of corporate income tax, VAT, withholding tax, personal income tax and social contributions in Romania, as well as providing assistance with tax compliance in connection with their activity in Romania.

ADS-TEC Energy GmbH

Advice on its business combination with European Sustainable Growth Acquisition Corporation.

BetFair Providing legal assistance and regulatory and tax law advice in Montenegro to the world's biggest international online sports betting company, listed on the London Stock Exchange since October 2010.

BioNTech SE

Advice on the tax issues related to the acquisition of a manufacturing facility to expand the production of COVID-19 vaccine.

Cloud services provider

Advice across 30 countries worldwide to analyse the VAT/GST treatment of services rendered by the group to their customers, whether a local Digital Services Tax be applicable and the mandatory information to be included on the invoices.

Energy group

Advice on tax aspects of several investment projects in renewable energy in the LatAm region (Chile, Colombia and Peru) including tax due diligence, tax structuring of the investment and of its financing, and review of tax aspects of contractual documentation.

Equistone

Advice on the tax aspects of the acquisition of a majority stake of a major European manufacturer of aluminium gates and doors.

Framatome Advice on a complex legal and tax due diligence as well as negotiation of the SPA, including tax warranties and indemnities formulated based on the findings of the tax DD.

French energy multinational Advice on a successful claim against the Spanish State in relation to the recovery of undue tax payments.

Infobip

Advised the global leader in omnichannel engagement on the transfer pricing study for their Serbian subsidiary.

Invesco Real Estate

Advice on the preparation and implementation of the sale of the "Prime Four" residential portfolio, including advice on tax clauses.

KIVA Advice on the tax and foreign exchange treatment of payments received through the web page and payments made to microfinance institutions. Analysis of its operation in Colombia and the United States to achieve tax efficiency in both countries.

Leading e-commerce platform provider

Advice on its e-commerce platform launch in Poland, including the design and implementation of the e-commerce model. Advice on the tax implications of the implementation of its business model in Poland and on tax aspects of distance selling, electronic payments and other tax and regulatory issues.

Listed insurance group Advice on ongoing tax services to its Spanish branches in relation to its day-to-day Spanish business, including all direct taxation matters as well as indirect taxation, insurance specific taxes and preparation and filing different tax returns in the different Spanish territories (common and foral territories).

Nordex

Advice on all legal and tax aspects of the sale of the European wind and photovoltaic project development portfolio to RWE.

Oracle

Advice on an administrative lawsuit against the unfavourable second instance tax resolution in Serbia.

Plastic Omnium

Advice on the establishment of a joint venture in the field of hydrogen mobility with automotive supplier ElringKlinger.

Shell

Advice on the acquisition of 100% of shares of the virtual power plant (VPP) operator Next Kraftwerke GmbH.

Major global energy company Ongoing advice on a significant MAP case (Mutual Agreement Procedure) between Norway and UK.

Turn/River Capital Advice on its EUR 314m acquisition of Redwood, an international tech automation solutions group.

Future facing

Innovative tax tech

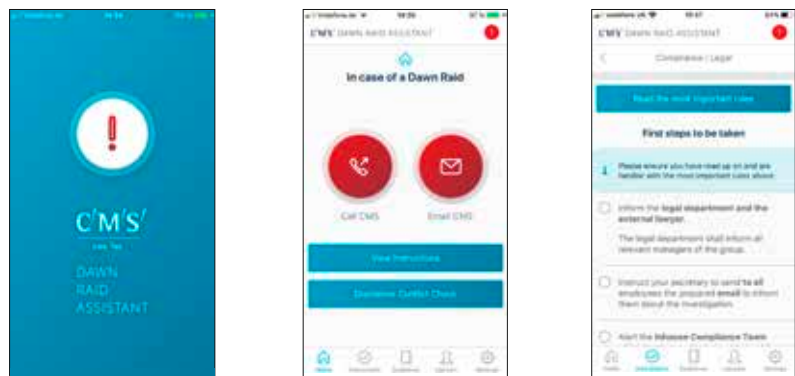
We deploy technology – including bespoke CMS solutions – to support our teams in their work for you. Here are a few of the ways we use tax tech to provide leading-edge advice and tax services.

Managing tax disclosure in cross-border transactions

To manage risk for our clients, we have created a tool to help meet the mandatory disclosure requirements for intermediaries and relevant taxpayers under the EU directive on cross-border tax arrangements (DAC6). We use the technology to analyse tax arrangements with specific DAC6 characteristics.

Handling dawn raids

Dawn raids – unannounced inspections – are an established and increasingly frequent feature of the tax enforcement and compliance landscape. The CMS Tax Dawn Raid app gives our clients instant, 24/7 access to CMS experts whenever the tax authorities come knocking. Under development in cooperation with our global competition practice, the app includes jurisdiction-specific checklists and best practice guidelines.



Keeping the market up to date

Much tax planning is bespoke, but broader know-how, principles and lessons can be applied in a wide range of situations. Our integrated international team uses experience gained around the world to help us develop the best solutions for clients. We also share some of our knowledge of tax developments and trends, producing downloadable thought leadership publications and e-guides, articles and news flashes on key issues across a wide range of jurisdictions and sectors.

Providing online insights through eAlerts



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Guides and thought leadership publications

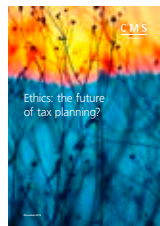
You can access our guides and publications at cms.law. Recent examples include:



Business Restructuring – How to get out alive?



Taxation of digital economy



Can Taxes Save the World?

CMS

Staff

> 8,000

Lawyers

> 5,000

Partners

> 1,200

52 new partners in 2021, taking the total to over 1,200

Operating in

73 cities

Across

43 countries

EUR

1.475bn

turnover for 2020

19 Practice and Sector Groups working across offices

Top rankings in M&A league tables by deal count

(Bloomberg, Mergermarket and Thomson Reuters)

» #1 Germany, DACH, Austria

» #2 Europe, UK, Switzerland, Benelux



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