

CFRED's 16th Tax Law Seminar:
**Defense of Primary Taxing Rights:
How Can Hong Kong and Singapore Respond
to the OECD's Global Minimum Tax Proposal?**

by

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Chaired by: Prof. David Donald, CUHK LAW

**17 November 2020 (Tuesday), 1:00pm - 2:00pm
online seminar**

The OECD's Global Anti-Tax Erosion (GloBE) proposal develops rules providing that countries can tax the income of multinational enterprises (MNEs) where other countries do not exercise their primary taxing rights over that income. What can affected countries with primary taxing rights do in response? One option is to let other countries receive the taxes they choose not to collect. This means that they will suffer the economic harms of taxation without receiving the tax revenues. Another option is to increase their taxes (by increasing rates, expanding their tax base, etc.) so the primary taxing rights will be 'fully' exercised. However, this option might not be desirable or feasible for various reasons, including the broader implications for domestic taxpayers.

This talk explores a third option: introducing a new defensive tax which would apply where MNE income subject to the relevant country's primary taxing rights would be taxed in another country in the absence of this defensive tax. The result would be that the country with the primary taxing rights would collect the tax revenues. This tax would not materially affect MNEs' overall tax liability and incentives or create much additional complexity. This tax is fair at the international level the country with the primary taxing rights will receive the tax revenues. Hong Kong, Singapore and other jurisdictions that may be adversely affected by the GloBE proposal should consider adopting this tax to defend their primary taxing rights.

About the speaker



Noam Noked is an Assistant Professor of Law at the Chinese University of Hong Kong. His research focuses on tax law and policy. He is particularly interested in tax administration and compliance issues, tax transparency, taxation and corporate governance, tax incentives and international tax competition. His academic work has appeared in various law journals.

For the speaker's detailed bio please see:

<https://www.law.cuhk.edu.hk/app/people/prof-noam-noked/>

All are welcome! If you would like to attend, please register by 5pm, 16 November 2020.

<https://cloud.itsc.cuhk.edu.hk/webform/view.php?id=11107275>

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