



Sets the Standards and Beyond



Consulting

Indonesian Tax Firm, Worldwide Knowledge

# TRANSFER PRICING SERVICES

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2022

To produce constant  
innovations in the  
transfer pricing arena





## FOREWORD

The last decade has seen significant developments in the international tax and transfer pricing landscape. These developments are marked by the escalating issue of base erosion and profit shifting (BEPS) resulting in decreased tax liability and double non-taxation.

As an attempt to combat BEPS, the Organisation of Economic Cooperation and Development (OECD) together with G20 countries has initiated BEPS Project which covers 15 Action Plans. Transfer pricing manipulation practice is among the main agenda addressed in the BEPS Project. Indonesia's transfer pricing practices have also been subject to changes in line with the issuance of regulations and provisions adopting current global transfer pricing developments.

Transfer pricing, however, is not an exact science. Unlike hard science that can be observed and measured, the process of determining arm's length price or profit is packed with argumentation and may inevitably lead to disputes.

In light of these developments, taxpayers are to manage transfer-pricing-related tax risks in a prudent manner. Containing facts of multinational companies' businesses, transfer pricing documentation is the starting point of risk assessments. Moreover, dispute resolution mechanisms through Mutual Agreement Procedure (MAP) and Advance Pricing Agreement (APA) must be applied effectively.

A pioneer in transfer pricing since its establishment in 2007, DDTTC maintains neutrality in performing analyses pursuant to the theoretical framework, domestic regulations and international best practices. The complexity of transfer pricing issues requires in-depth analyses encompassing thorough understanding of business and multi-disciplinary approaches. Our transfer pricing team comprises highly-skilled professionals with required skills and expertise in these fields.

Our long-standing experience and accolades in transfer pricing have earned both local and global recognition. DDTTC was awarded the Indonesian Transfer Pricing Firm of the Year in the Asia-Pacific Tax Awards 2021 by the International Tax Review.

**Darussalam, S.E., Ak., CA., M.Si., LL.M. Int. Tax**

Managing Partner DDTTC

**“ Our long-standing experience and accolades in transfer pricing have earned both local and global recognition.”**

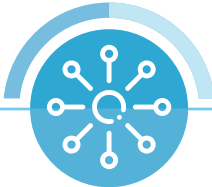


# HOW WE DIFFER



### Sets the Standards and Beyond

Our transfer pricing breakthroughs serve as a reference for academicians and stakeholders.



### Multidisciplinary Expertise

Wide-ranging perspectives enable us to comprehend the complete picture of an issue and generate comprehensive conclusions that may effectively address the problem.



### Robust Experience

Over the years, we have gained first-hand experience in every facet of transfer pricing.



### Academics-Practice Balance

Our high standards enable us to produce results that are not only thorough, but also feasible for practical matters.



### Transfer Pricing Life Cycle

We consider all aspects of transfer pricing and how to integrate sound transfer pricing policies for your company.



### Understanding the Business

Our approach in performing analyses is thorough understanding of specific facts and conditions of your business.



# OUR SERVICES

The uprising globalization in these modern times has resulted in the rapid growth of multinational trade and cross-border intercompany transactions. Subsequently, tax authorities worldwide are increasingly aware to defend their domestic tax bases with intense scrutiny.

In light of this, law enforcement on transfer pricing has been set up by numerous countries, including the establishment of more detailed documentation requirements, stricter penalties for non-compliant parties and the increase in information exchange among countries and transfer pricing audits.



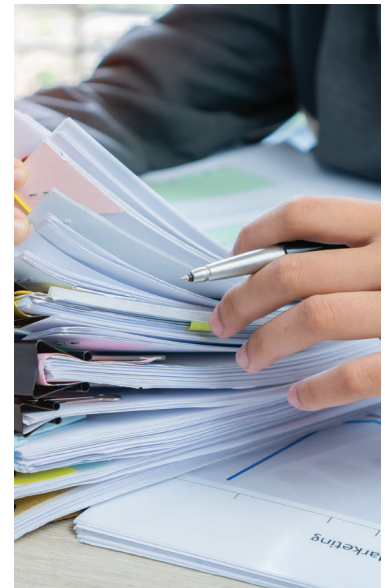
## Setting and Designing Transfer Pricing Policy

DDTC advises clients in setting up new transfer pricing (TP) policies, ranging from designing the transfer price formula, supported by benchmarking studies, to drafting necessary intercompany agreements.



## Maintaining and Monitoring Operational Transfer Pricing

TP is a significant risk possibly leading to significant tax assessments, penalties and double taxation. Our operational TP services include assisting clients in monitoring supply chains, implementing ex-ante TP policies as mandated by TP regulations and proactively managing intercompany prices and/or operating profit margins to reduce TP risks.



## Transfer Pricing Documentation (TP Doc)

DDTC provides clients with transfer pricing documentation services, including Local File, Master File and Country-by-Country Reporting (CbCR) as well as other TP compliance requirements as required by the Laws and/or as requested by DGT during tax audits.



## // The uprising globalization in these modern times has resulted in the rapid growth of transfer pricing issue."



### **Dispute Resolution, Mutual Agreement Procedure (MAP) and Advance Pricing Agreement (APA)**

TP issues are frequent main findings during tax audits due to tax officers' increased knowledge and complexity/uncertainty of the rules. The strategic and integrated approaches in our dispute resolution services enable clients to navigate through the dispute resolution process via domestic dispute resolution, unilateral/bilateral negotiations with the competent authorities or advance pricing agreements.



### **Benchmarking Studies**

DDTC assists clients in setting up fully-fledged TP documentation. We may also help you update your current TP policy. TP benchmark study is the most important analysis in a TP study and requires regular updates to keep up with market comparables. Further, benchmark studies may also be used by clients to establish new TP policies.



### **Navigating New Transfer Pricing Environment and Updates**

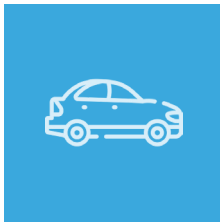
Indonesia's TP environment is highly complex. Further, the regulations at multi-level stakeholder stages are constantly changing, ranging from the DGT's internal circulars, regulations and tax audit guidelines, Minister of Finance regulations to the Laws. DDTC provides clients with regulatory updates for clients to anticipate risks and prepare for compliance requirements.

# OUR SECTOR EXPERTISE

**“ We engage in diverse business sectors and various transactions.”**



**Agriculture**



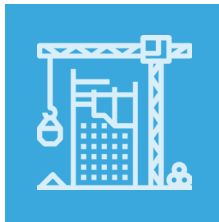
**Automotive**



**Aviation**



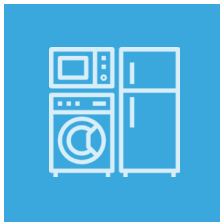
**Banking & Financial Services**



**Construction & Real Estate**



**Consumer goods & Services**



**Electronic Goods**



**Food & Beverages**



**Forestry**



**Healthcare & Pharmaceutical**



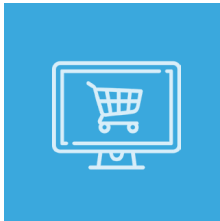
**Media**



**Mining**



**Oil & Gas**



**Online Retail & E-Commerce**



**Petrochemical**



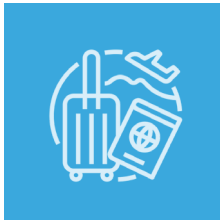
**Pulp & Paper**



**Tech & Telecoms**



**Tobacco Industry**



**Tourism**



**Shipping**

**and Others.**

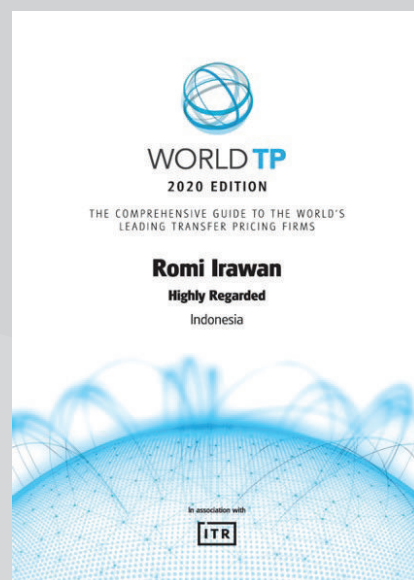


## OUR ACHIEVEMENTS

We have a proven track record and acknowledgment both domestically and internationally.



DDTC has been awarded as the Indonesia Transfer Pricing Firm of the Year in the Asia-Pacific Tax Awards 2021 by International Tax Review (ITR), United Kingdom (UK).



Partner of Transfer Pricing Services, Romi Irawan is selected as one of the World's Leading Transfer Pricing Advisers 2020 by ITR, UK.



DDTC has been awarded by ITR, UK.

### Other Prestigious Accolades



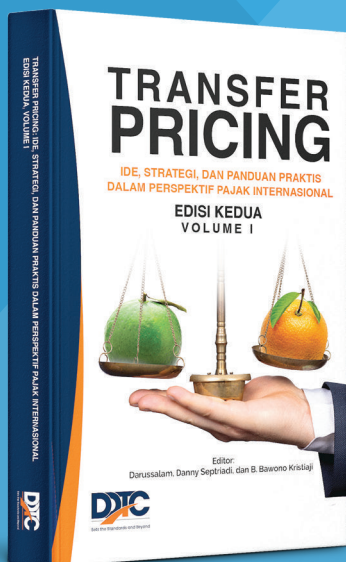
As a research, technology and knowledge-based tax institution that sets the standards and beyond, as well as a centre of a number of taxation activities units, DDTC has received a series of prestigious accolades at international and domestic levels, for instance, being named the number 1 in the Indonesian transfer pricing area in Indonesia and conferred world-class awards for our professionals from the ITR, the Law Reviews, Expert Guides and many more.

# OUR PUBLICATION

## International Publication



## Books



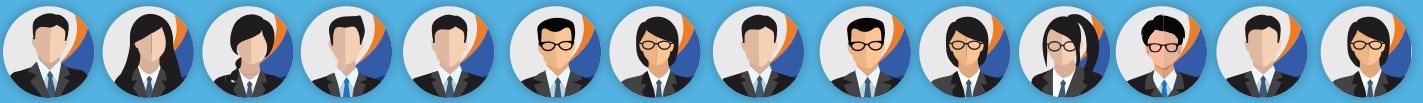
### Transfer Pricing: Ide, Strategi, dan Panduan Praktis dalam Perspektif Pajak Internasional (Second Edition – Vol I)

Covering developments in the international taxation and transfer pricing landscape from 2013 to 2022, this book provides a comprehensive, current and in-depth overview of transfer pricing issues in the international tax framework. Volume I contains 16 chapters covering four parts: (i) the basic concepts; (ii) comparability analysis; (iii) transfer pricing analysis methods; and (iv) issues in measuring arm's length. Volume II contains 15 chapters, covering four parts: (i) transfer pricing for special transactions; (ii) companies' strategies in transfer pricing; (iii) procedural and legal aspects; and (iv) reflection and contemporary developments.



We are a local tax institution with **global knowledge**

## Domestic



**13** Master Degrees in Accounting, Taxation, Law, Business, and Economics from leading universities in Indonesia

## International



**13** Advanced Diplomas in International Taxation (ADIT) of the Chartered Institute of Taxation (UK)



**1** Diploma in International Taxation of International Tax Center, Leiden University (Netherlands)



**26** Certificates Holder of International Tax Certificate from the Chartered Institute of Taxation (UK)



**9** Master Degrees in International Taxation from leading university abroad

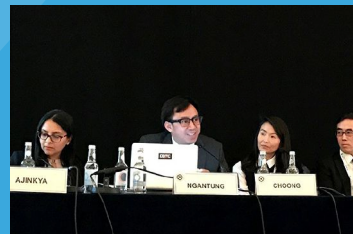


**1** Bachelor Degree (LL.B) in Taxation Law (Fiscal Recht) from Leiden University (Netherlands)



**26** Certificates Holder of Transfer Pricing from Chartered Institute of Taxation (UK)

We actively engage in emerging taxation issues on **the international stage**





We create warmth and kinship in our office environment in order to achieve our vision and missions. Dedication and commitment from our employees are represented by many events we have held internally.”





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