



International Fiscal Association Ukraine

Press Release

IFA Ukraine Seminar “IP Taxation in Ukraine: Cross-Border Issues”

19 November 2008 | Magisters office (38 Volodymyrska Str.)

On November 19th 2008 the “**IP-Taxation in Ukraine: Cross-Border Issues**” Seminar was successfully held by the civic organization “IFA Ukraine”.

The event was designed to point out and discuss practical and actual issues in the sphere of IP taxation in Ukraine.

The speakers’ panel comprised leading tax, legal and IP specialists from **Baker&McKenzie, Beiten Burkhardt, Ernst&Young, Magisters** and **PricewaterhouseCoopers**.

Nearly 50 participants visited the Seminar, predominantly tax lawyers from consulting, legal and audit firms, as well as from Ukrainian businesses dealing with IP issues.

The following topics were presented to the audience consideration:

- **Classification and Tax Issues in Cross-Border IP Transactions**
- **Royalties: Inclusion of Imported Goods in Customs Value**
- **Trade Marks: Intellectual Property and Tax Applications**
- **IP Rights as Part of Complex Contracts**

The below topics gained particular attention of both the audience and the speakers:

- **Practical aspects** of IP transactions classifications: IP sale, software agreements, license contracts, program copy sale, copies disposal etc.
- **Primary factors** which affect the decision on inclusion or non-inclusion of royalties in customs value of imported goods (revenue duties, customs authorities’ position and measures of impact on importer, consequences of incurring of a dispute with customs authorities, competitive behavior, judicial and international opinion). Special considerations were given to risks of importers as related to responsibility to the customs authorities.
- **Tax planning** of trade marks migration, supervisory monitoring of TM corporate taxation, fiscal and variation approach of rating authorities, typical scheme of TM migration structure etc.
- **Peculiarities** of IP taxation in terms of cost-sharing/cost recharges agreements, franchise contracts and goods distribution contracts. The emphasis was put on separation of payments on rights transfer on use of IP objects in package deals as a method, which may take positive result for tax purposes, though involving its “own” tax risks.

The event was held with the support of IFA Ukraine Member Companies - **Beiten Burkhardt, Magisters, DK-Ukraine**. Information support was carried out by weekly information and legal newspaper “**Pravovyi Tyzhden**” and by “**Intelektualna Vlasnist**” Magazine.

To find more information and look through the Seminar materials, please visit the [IFA Ukraine web-site](#).

The Ukrainian branch of International Fiscal Association - IFA Ukraine - is a non-profit organization with legal personality established in Kyiv in 2007 by a group of professionals. As of today, the association stands for some 50 members – tax managers, consultants, government officials. IFA Ukraine is aimed at studying and advancing international and comparative fiscal law, as well as developing a coherent international tax strategy designed to harmonize and eliminate distortions arising from the interaction of Ukrainian tax system with international one.