



Tax Valuation and Business Restructuring

Intercompany transfers of assets and activities by multinational companies have attracted increased scrutiny of tax authorities in recent years. In addition to transfers of intellectual property and relocations of functions, regulations are increasingly focused on conversions of businesses that involve profit shifts between various jurisdictions. These developments require companies to involve more analysis and documentation when deciding to transfer assets or restructure their organizations.

Ryan provides valuation analysis and supports companies in fulfilling compliance obligations in relation to intercompany transfers. In addition, Ryan advises in an initial phase of a business restructuring project by offering design and financial modeling services. By combining valuation and transfer pricing expertise, we offer a unique set of tools that enables companies to manage, restructure, and support intercompany transfers from a tax perspective.

Tax Valuation Services

Ryan provides valuation services in the context of a transfer of assets or shares to support the fair market value, the fair value, and/or the arm's-length nature of the transfer. In this regard, our services include:

- Valuation of shares
- Valuation of a portfolio of group companies
- Valuation of registered patents or trademarks
- Valuation of goodwill or profit potential

Business Restructuring Services

Ryan also provides valuation analysis in the context of intercompany restructurings. These restructurings may be initiated for various reasons such as an international expansion, a post-merger integration, or a rationalization of company assets and resources. The types of services in this context are broad and may include:

- Transfer pricing design of cross-border restructurings
- Transfer pricing scenario analysis and presentation of options available
- Financial impact analyses in relation to exit taxes
- Documentation of restructurings



Transfer Pricing

Ryan provides a comprehensive suite of transfer pricing services that enable multinational businesses to proactively and efficiently manage the changing global legislative regulatory requirements. We focus on our clients' business objectives and leverage our technical expertise in global transfer pricing principles to identify the proper balance in pricing cross-border transactions.

International Guidelines/OECD

Over the years, the Organisation for Economic Co-operation and Development (OECD) has become the internationally recognized platform for guidelines on transfer pricing and business restructuring. According to the OECD, business restructuring is broadly defined as the cross-border redeployment by a multinational enterprise of functions, assets, and/or risks. Business restructurings can include the following:

- Conversion of fully fledged distributors into limited-risk distributors or commissionaires for a related party that may operate as a principal
- Conversion of fully fledged manufacturers into contract manufacturers or toll manufacturers for a related party that may operate as a principal
- Rationalization and/or specialization of operations (manufacturing sites and/or processes, research and development activities, sales, and services)
- Transfers of intangible property rights to a central entity within the group (i.e., a so-called “intangible holding company”)

Local governments tend to implement OECD guidelines in local tax law. Although local regulations and interpretations may vary among countries, the main OECD principles are recognized and adopted locally.

Combining Transfer Pricing with Valuation Expertise

Ryan valuation professionals combine transfer pricing and valuation expertise. These areas of expertise require an understanding of valuation techniques, accounting standards, and tax and transfer pricing guidelines and regulations. Through this unique combination of knowledge areas, we are able to advise clients on various angles and perspectives and take into account interests from a multitude of stakeholders. Stakeholders may include tax authorities, auditors, tax management, internal corporate governance committees, and/or other internal stakeholders.

International Team

Ryan has a global team with offices located across North America, Europe, and the Asia-Pacific. Our international presence enables us to provide local expertise for international projects. In the current rapidly changing tax environment, we advise clients on the latest local and international developments. Through our local teams, we understand local habits and practices and are aware of a tax authority’s ability and approach toward tax valuation and business restructuring.

