Taxation Law Research Programme (TLRP)
Asian Institute of International Financial Law
Faculty of Law
The University of Hong Kong

Intensive Course

Taxation and the Digital Economy

The digital economy has raised several questions across the globe about whether existing tax laws can be applied to transactions utilising digital ledger technology (DLT), including blockchain. The BEPS initiative has further spurred regulators and tax authorities to clamp down on the tax revenue gap by combatting aggressive tax planning schemes. Blockchain has further complicated jurisdiction-specific tax compliance initiatives because of the nature of the digital platform on which it is based. This course identifies current and emerging key tax and legal issues concerning the use of DLT by SMEs also MNEs. It is designed for persons currently working in tax compliance roles, tax advisory roles (including in Hong Kong also internationally), academics, accountants and lawyers. It is most beneficial for junior- and mid- career professionals in accounting and tax advisory roles. While it is beneficial to have previously studied the “Introduction to International Tax” intensive course offered at HKU Faculty of Law, it is not a prerequisite to be able to enrol in “Taxation and the Digital Economy” intensive course. The format of this course, while intensive, is both accessible and interactive.

Dates:
Friday, 6 December 2019, 6:30 – 9:00 pm (2.5 hours)
Saturday, 7 December 2019, 2:30 – 5:00 pm (2.5 hours)
Sunday, 8 December 2019, 11:30 am – 5:00 pm (5 hours with 30 minutes lunch)

Venue: The University of Hong Kong, Pokfulam Road, Hong Kong

Course Fee: HK$3,000 per person

Deadline for registration: Friday, 1 November 2019

Presenter: Dr Sarah Hinchliffe, Assistant Professor of Tax and Accounting, University of Akron

Dr Sarah Hinchliffe is an Assistant Professor of Tax and Accounting at the University of Akron, and specializes in U.S., International and Comparative Taxation Law, also Trusts and Estates. Dr Hinchliffe is an Australian Lawyer as well as a Chartered Tax Advisor, an Associate member of the Law Institute of Victoria, and of the Taxation Institute of Australia. She has practical experience in the area of taxation law having worked for the Australian Taxation Office and in private legal practice. Dr Hinchliffe is a co-founder of a boutique law firm based in Melbourne, Australia. She has held a number of international academic appointments, including at Harvard Law School, the College of William and Mary, Boston University School of Law, the University of Nevada William S. Boyd School of Law, the University of Hong Kong, the University of Melbourne, Monash University, Victoria University, and the Taxation Institute of Australia. Dr Hinchliffe has been an external editor for the Law Institute Journal, Editor in Chief of the Journal of Australian Taxation, and has been engaged by the Productivity Commission as a consultant.
# Course Schedule

## Friday, 6 December 2019

6:30-6:45 pm: Registration

6:45-8:15 pm: **Blockchain Basics**
- Introduction to the operative mechanics of DLT, with a focus on blockchain
- What are the tax issues concerning blockchain?
- How do source rules apply to digital transactions?
- What is the ‘tax gap’, and why does this matter for countries?

8:15-9:00 pm: **Tax Research**
- Tax Terminology in the International tax realm and digital environment
- How to access and assess what is relevant tax material?
- How does tax research apply to your job?

## Saturday, 7 December 2019

2:30-3:45 pm: **Tax Rules and Jurisdictional Considerations**
- What ‘laws’ apply in the digital realm, with a focus on tax?
- What is blockchain’s jurisdiction?
- To what extent do the rules to determine residency of a taxpayer apply in the digital economy?
- Why tax rules are necessary? (Tax Policy focus)

3:45-5:00 pm: **Model Tax Treaties and BEPS**
- Relevance of Model Tax Treaties and Bilateral Tax Treaties for the avoidance of double taxation and blockchain transactions, with a focus on Arts. 5, 7, 10-12 of Model Tax Treaties and Bilateral Tax Treaties.
- How are blockchain transactions in fact taxed where jurisdictions include Hong Kong, the PRC, UK, USA, Australia, New Zealand, Canada?

## Sunday, 8 December 2019

11:30 am-12:00 pm: **Do Existing Tax Laws ‘Effectively’ Apply to Transactions in the Digital Economy?**
- Discussion of SME transactions concerning blockchain, including: taxation of mining activities, capital and income distinction with respect to blockchain activities, valuation of blockchain activities and related tax implications.

12:00-1:30 pm: **Accounting and Tax Law**
- What are the common gaps in tax regulation / law and pursuant to international accounting standards with respect to taxation of blockchain?
- Case study analysis and discussion of contemporary issues in accounting, from a practical perspective, also economic theory and legal theory.

1:30-2:00 pm LUNCH

2:00-3:00 pm: **Tax Compliance**
- Overview and discussion of tax compliance frameworks concerning the digital economy that are currently adopted by jurisdictions in Hong Kong, PRC, Europe, the UK, Canada, Australia and the USA.
- Discussion of regulatory initiatives and implementation that affect tax planning initiatives in the digital economy.

3:00-4:15 pm: **MNEs in the Digital Economy**
- Discussion of Tax Planning tips and traps concerning an MNE’s use of blockchain and Transfer Pricing, also CFC rules in jurisdictions including Hong Kong, the PRC, Europe, the UK, Canada, Australia and the USA.

4:15-5:00 pm: **Case Study Analysis**
- Use of blockchain in inbound and outbound activities.
- Discussion of emerging tax and legal issues in tax compliance.
- Open-class discussion and questions.
TAXATION LAW RESEARCH PROGRAMME
ASIAN INSTITUTE OF INTERNATIONAL FINANCIAL LAW
FACULTY OF LAW, THE UNIVERSITY OF HONG KONG

Intensive Course
Taxation and the Digital Economy
6 – 8 December 2019 (Friday – Sunday)

Please email the Registration Form to Flora Leung at fkleung@hku.hk or fax it to 2549 8495 for enrolment.

Registration Form

Surname: ________________________ First Name: _____________________________

Company: _______________________________________________________________

Job Title: _______________________________________________________________

Address: _______________________________________________________________

Phone: __________________________  Email: _________________________________

Cheque No _______________ Bank ____________________________

Please send a cheque of HK$3,000 payable to “The University of Hong Kong” to Flora Leung, Asian Institute of International Financial Law, Faculty of Law, The University of Hong Kong, 10/F Cheng Yu Tung Tower, Centennial Campus, Pokfulam Road, Hong Kong.

Deadline for registration: Friday, 1 November 2019

For enquiries, please contact Flora Leung
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