

Financial Reporting for Taxes – 2010 Training

“International Tax Advanced”

Overview: In this session, the participant will learn international tax concepts in ASC 740 Accounting for Income Taxes and their relevance to a company’s earnings per share and effective tax rate. The participant will learn how to account for the U.S. GAAP tax impact of international transactions, will learn current international topics related to accounting for income taxes, and will learn steps to consider when computing a global tax provision.

International Tax Advanced

<p>8:30 a.m. – 10:00 a.m.</p>	<p>Introduction</p> <p>Currency Translation Adjustments (ASC 830)</p> <p>Deferred Taxes on Foreign Investments</p>	<p>We will provide a refresher on the operation of ASC 830 (foreign currency) and how to account for income taxes on the cumulative translation adjustment account.</p> <p>We will have a detailed discussion of the different methodologies for calculating the liability for deferred taxes on outside basis differences, addressing the complexities caused by foreign currency translation.</p>
<p>10:30 a.m. – 12:00 p.m.</p>	<p>Deferred Taxes on Foreign Investments – Case Study</p> <p>ASC 740-30 Special Topics</p> <p>Intercompany Transactions – Special Topics</p>	<p>We will walk through a case study where the participant will be able to understand the components of the deferred tax liability calculation associated with the outside basis differences of foreign investments that are indefinitely reinvested under ASC 740-30.</p> <p>We will then address special topics with respect to the exception for recognizing deferred taxes on outside basis differences, including whether application of the exception to hybrid branches and lower-tier entities is acceptable.</p> <p>During this segment, we will also cover more advanced topics on intercompany transactions such as the impact of different book and tax lives of assets and the ability to use intercompany transactions as a tax planning strategy to remove a valuation allowance on a deferred tax asset.</p>
<p>1:00 p.m. – 3:00 p.m.</p>	<p>ASC 740-30 & Foreign Currency</p> <p>Outside Basis and Interim / Intraproduct Reporting – Case Study</p> <p>Long Term Loans</p> <p>Repatriation Considerations: IRC 986(c) and 987</p> <p>Wrap Up</p>	<p>In this final session, we will focus on foreign currency, including a closer look at the interplay between outside basis and foreign currency issues.</p> <p>We will prepare a case study that brings together the concepts of deferred taxes on outside basis differences, foreign currency and interim reporting.</p> <p>We will cover specific issues such as when currency causes an effective rate impact and remeasurement. Topics will include long term loans and the operation of the intraproduct allocation rules with respect to IRC §986(c) and §987 gains and losses.</p>