

MISSED TP REPORTING

The reporting gap



INTERNATIONAL TRANSACTION



Goods



Services



Loan



Royalty



TAX AUDITOR

Form 3CD
Section 44AB



ACCOUNTANT REPORT

Form 3CEB
Section 92E



Not in Form 3CD



Form 3CEB missed



Reporting gap



Blue
Indian Co



Purple
Foreign AE



Orange
International Transaction



Green
Compliance



Red
Risk

WHAT TO TRACE

Before the tax auditor signs.



1



AE TEST

- Capital
- Control
- Management

2



FOREIGN AE

- One party non-resident

3



INTERNATIONAL TRANSACTION

- Goods
- Services
- ✓ Royalty
- ✓ Guarantee



Bears on profit, income, loss or assets

4



TAX AUDITOR CHECK

- ✓ Form 3CD
- ✓ Related-party notes
- ✓ Foreign shareholding
- ✓ Cross-border payments



MISSING ANY OF THESE CAN CREATE RISK



Deemed AE missed



Loan or royalty missed



Guarantee missed



INDIAN COMPANY

INTERNATIONAL
TRANSACTION

FOREIGN HEADQUARTERS

WHERE LIABILITY SITS

Missed transfer pricing reporting.

ASSESSEE



FORM 3CEB NOT FURNISHED
SECTION 271BA

₹1,00,000

TAX AUDITOR



INCORRECT INFORMATION IN REPORT
SECTION 271J

₹10,000

Per report or certificate.



PROFESSIONAL EXPOSURE

ICAI disciplinary proceedings.



271BA is on the assessee. 271J is on the accountant.

BLUE
Indian Co

PURPLE
Foreign AE

ORANGE
International
Transaction

GREEN
Compliance

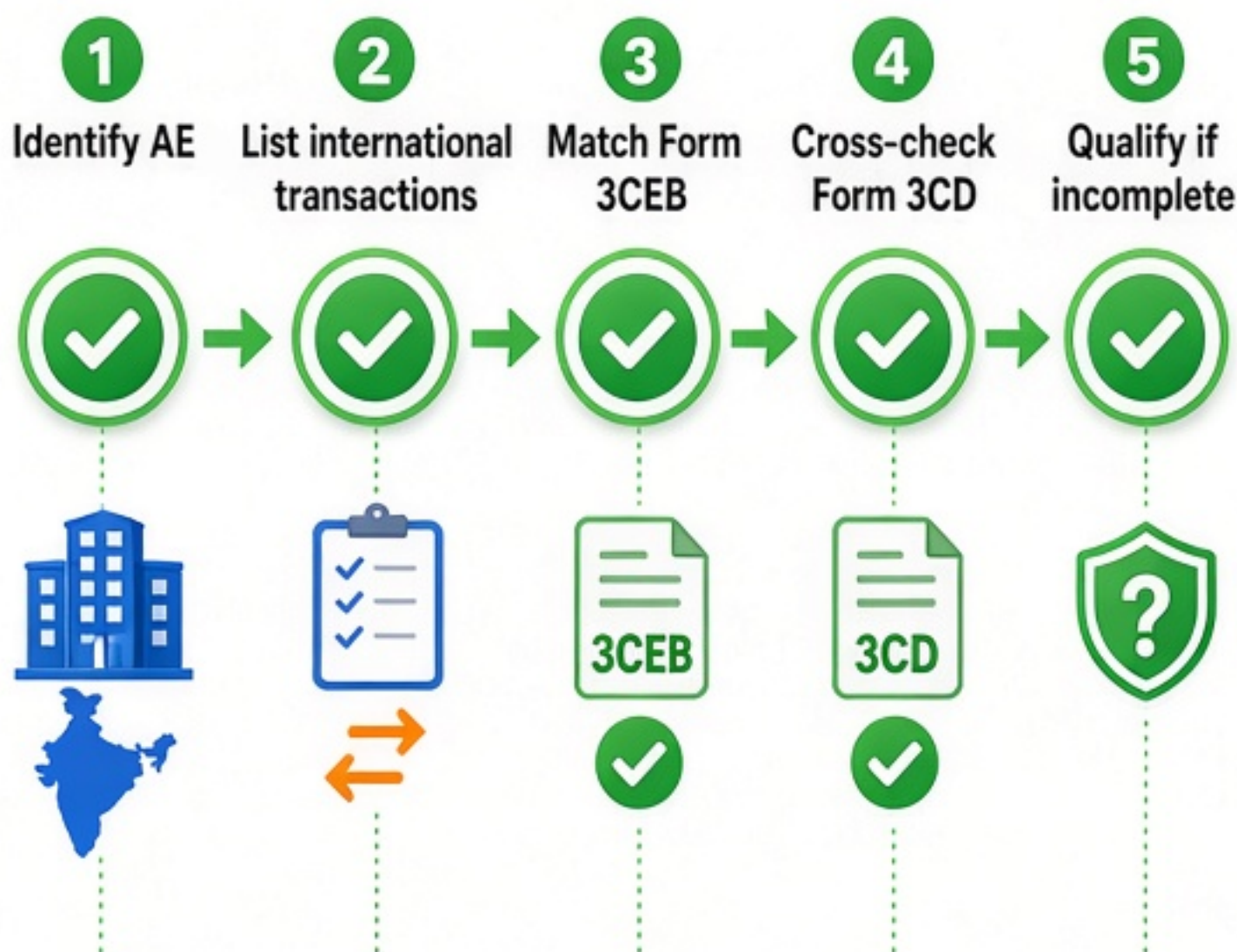
RED
Risk

BEFORE YOU SIGN

Tax auditor close.



International
Transaction



Report the gap.
Do not leave it silent.



Blue
Indian Co



Purple
Foreign AE



Orange
International
Transaction



Green
Compliance



Red Risk