

## **SYNOPSIS OF FINANCE WORKSHOP AND NETWORKING EVENT ON THE 17th/18th SEPTEMBER 2013**

### **Overseas Market Access and Development**

Outlined below are the key messages from each speaker, to access slides of their presentations please visit the EI corporate website at [www.enterprise-ireland.com/financeforgrowth](http://www.enterprise-ireland.com/financeforgrowth)

1. Mary Nyhan, Founder of Nyhan Tax Advisors explored the different caveats companies should be aware of before establishing operations abroad. Some key highlights were;
  - You should always consult a local tax expert in the jurisdiction you intend trading in - identify a number of questions in advance rather than leaving it for a general chat – Mary Nyhan is happy to discuss these with each co
  - Companies should exercise caution when entering a new market, there is no need to worry about having all your structures in place on day one as there may be unforeseeable circumstances which affect your continued access to the market.
  - If a branch is established instead of a new company in a foreign country, it is possible to offset the company's losses against Irish corporation tax.
  - With regards to HR, a written policy is very important; it gives consistency and manages employer risk.
  - Even if working in a tax free jurisdiction an employee could still be subject to PAYE
  - Understand overseas income tax policies for each country you plan to establish yourself in. It is important that you establish a policy with your employee to ensure that the company does not risk further taxation.
  - There needs to be an expenses policy document. Familiarise yourself with the reimbursement of expenses in each country. Take note that in some countries, such as Poland, these expenses are taxed.
  - Do not engage in complicated international financing structures. Tax regimes come and go and it is better to keep these matters simple.
  - Often customs tax is ignored – need to consider its impact
  - The onus is with the company to prove that it is not liable for tax
2. Amy Ball, Senior Manager, PwC Advisory Consulting addressed the issue of companies' preparation for Single Euro Payments Area (SEPA). Some of the topics discussed were;
  - All companies must be compliant by Feb 2014
  - Some of the important points the companies needed to consider such as;
    1. Ensuring their systems were compatible with XML file formats.
    2. Converting all bank accounts of your employees/vendors/DD customers from Swift and Sort code format to BIC and IBAN format.
    3. Prepare for the automatic right to refunds from DD customers for up to 8 weeks after the initial payment.

- Please note there could be cash flow implications should a customer exercise their right to a no quibble refund, a company should tighten up on its T&C's – if a liquidator is appointed to a company they could obtain a refund of all DD's over the last 8 weeks
- Assess your business processes to ensure that they are fit for purpose for SEPA payments.

Topics discussed at the CFO forum included:

- XML and the costs of setup, if any.
- Getting money out of China without the deduction of withholding tax.
- IBAN/BIC numbers.
- Setting up abroad- benefits of getting local tax advice.
- R&D tax credits.
- SEPA- Onus on the Bank.
- STRIPE software recommended.