MATERIŁY
XVI MIĘDZYNARODOWEJ NAUKOWI-PRAKTYCZNEJ KONFERENCJI

DYNAMIKA NAUKOWYCH BADAŃ - 2020

07 - 15 lipca 2020 roku

Volume 7

Przemyśl
Nauka i studia
2020

Ewidencja i audyt

Ph.D., Associate Professor, Manachynska, Yu.
Chernivtsi Trade and Economics Institute KNUTE, Ukraine

TRANSFER PRICING IN THE AGRICULTURAL SECTOR IN THE CONTEXT OF THE BEPS PLAN

Ukraine has joined the BEPS Plan, which aims to force companies to tax profits where added value is created and economic activities are carried out directly. The global trend of combating tax evasion has been intensifying in recent years. States do not want to put up with the reduction of tax revenues, and therefore gradually implement in their legal systems tools to combat schemes to minimize them [1].

The BEPS (Base erosion and Profit Shifting) – Action Plan is a list of steps developed by OECD and G20 member states to prevent tax base erosion and tax evasion [2]. Three-level structure of transfer pricing documentation (TCO) is recommended within the framework of the recommendations under Direction 13: Master file; Local file; Counter-by-Country Reporting.

The submission of the Report will be mandatory for all international groups with revenues in excess of € 750 million per year. The tax authorities of different countries will have access to the report, on the basis of which they will be able to formulate more specific plans for the audit of a group of companies in the respective countries [3].

Ukraine is obliged to implement four steps out of the fifteen proposed, namely:

- step 5 "Improvement of measures to combat tax abuse";

- step 6 "Prevention of abuse of benefits provided by bilateral agreements";

- step 13 "Recommendations on transfer pricing and disclosure documentation by country";

- Step 14 "Improving the mutual agreement procedure by resolving disputes".

Steps 6 and 14 provide for mandatory amendments to existing international bilateral agreements on avoidance.

Three main methods are used to determine the specific value of transfer prices in international practice, such as:

1. Transfer prices based on market prices is used in cases where the unit has both external and internal customers. This can only happen in branches and subsidiaries of large industrial organizations, which is not typical of agricultural organizations.

2. Transfer prices based on production costs (full and variable costs). This technique can be used in units where the centers of responsibility are the cost center, but not in crop production and animal husbandry. Accounting must be organized as in the centers of profit (or income). Otherwise, there can be no question of any material interest, remuneration for the final results, and even more of responsibility for the quantity and quality of products.

3. Contractual transfer prices. Experts suggest building transfer prices on a contractual basis, as only such prices guarantee the organization from internal destabilization in the management system. The general basic technique is used for their calculation:

$$T_p = VC + MI, \qquad (1)$$

where T_p – the transfer price of a unit of agricultural products (services), UAH; VC – variable costs (cost) per unit of transferred products (services), UAH; MI – marginal income per unit of agricultural products (services), UAH

International methods used in developed countries in the management accounting of firms are universal. But their use in agricultural organizations of Ukraine is practically nullified not only due to the instability of market pricing, but also in general due to the lack of market prices for certain products [6].

The calculation of the transfer price is especially important for agricultural organizations, where separate centers of responsibility are not only separate units for the production of livestock products, but also for complex enterprises, where the main activities are crop production and animal husbandry. The crop industry receives income, depending on the selling price of livestock products, in this calculation of the transfer price [4].

It is advisable to take into account the level or amount of different types of production costs, as well as labor intensity, quality and profitability of products, when the optimal model of the transfer price at an agricultural enterprise is developing. In this regard, it is advisable to calculate the transfer price separately for the product type and non-product [6].

Literature:

1. Прокопенко О. Украина и план BEPS: почему офшоры уходять в прошлое / Экономическая правда. Спецпроэкт «Конец эпохи офшоров», PROFINVEST, 29 Октября, 2019. [Электронный ресурс]. – доступ : https://www.epravda.com.ua/rus/projects/offshore/2019/10/29/652879/

2. Євстігнєєва О., Красовський Б., Насрідінов Р. Скільки Україна втрачає в офшорах / БізнесЦензор. - лютий, 2019р. / [Електронний ресурс]. – Режим доступу: https://biz.censor.net.ua/resonance/3110782/sklki_ukrana_vtracha_v_ofshorah

3. Пенськой К. Трансфертне ціноутворення у агросекторі, 13 травня 2016 року / International tax review / [Електронний ресурс]: https://uba.ua/documents/presentation/K_Penskoy.PDF

4. Шелухина Е.А. (2006) Трансфертное ценообразование на предприятиях АПК / Материалы междунар. науч.практич. конференция, апрель, 2006. БГИТУ *Брянский государственный инженерно-технологический университет* [Электронний ресурс]: http://www.science-bsea.bgita.ru/2006/ekonom_2006_2/sheluhina_trans.htm

5. Сук Л.П. (2020). Трансфертне ціноутворення в сількогосподарсьвій діяльності // Облік і фінанси АПК : бухгалтерський портал / http://magazine.faaf.org.ua/transfertne-cinoutvorennya-v-silskogospodarskiy-diyalnosti.html

6. Шелухина Е.А. (2006) Трансфертное ценообразование на предприятиях АПК / Материалы междунар. науч.практич. конференция, апрель, 2006. БГИТУ *Брянский государственный инженерно-технологический университет* [Электронний ресурс]: http://www.science-bsea.bgita.ru/2006/ekonom_2006_2/sheluhina_trans.htm

CONTENTS

EKONOMICZNE NAUKI

Gospodarka przedsiębiorstwa

Regionalna gospodarka

Kierowanie pracującymi zasobami

Marketing i management

Ewidencja i audyt

FILOZOFIA

Filozofia kultury

FILOLOGICZNE NAUKI

Retoryka i stylistyka