



Frequently Asked Questions

Transfer Pricing

a. What is Transfer Pricing?

A transfer price is the price at which goods (or services) are sold between divisions of a company, or between companies in the same group (that have the same parent company).

b. What is the Transfer Pricing paper?

This examination covers the fundamentals of transfer pricing based on the OECD model. The paper will focus on transfer pricing methods, the arm's length principle, comparability, compliance issues and avoiding double taxation and dispute resolution. Please see the syllabus for full details.

c. Where does the TP paper fit in the overall qualification?

The ADIT qualification is in modular form and is awarded when all stages have been completed. It consists of three papers although a thesis may be substituted for either Paper II or Paper III. Paper I – Principles of International Taxation – is required. Paper II tests detailed knowledge of a primary jurisdiction from a choice of six. Paper III tests an awareness of basic tax issues in a second jurisdiction or subject from a choice of six – one of which is the Transfer Pricing Paper.

d. There is a separate certificate – how will this work?

Candidates will need to apply for the certificate via the website after they have passed the examination. There is a fee of £15 for the certificate. Please visit the website for more information.

e. Is there a CPD requirement?

No. The certificate is dated as a new examination paper is set every year to reflect up to date development in transfer pricing and international taxation.

f. How do I register as a student?

Please visit the website and complete the online form at <http://www.tax.org.uk/adit/adit-student-registration>

g. Why should I register as a student?

Student registration entitles the holder to:

- Reduction on CCH books on the recommended reading list
- 20% discount on IBFD ADIT courses
- Attend certain CIOT Branch events and conferences at discounted price
- Communicate with other students on the ADIT student forum
- Satisfy CPD requirements of other professional qualifications, where applicable
- Opportunity to join the ADIT professional group on the 'LinkedIn' networking site

- Winning prizes and medals for the highest marks in a paper each exam session

Paper I - Heather Self medal

Paper II - The International Fiscal Association (IFA) Prize

Paper III - The Worshipful Company of Tax Advisers medal

Please visit the 'Why do ADIT?' page on the ADIT website at <http://www.tax.org.uk/adit/whydoadit> for the full list of benefits.

h. Why should I register for the TP paper?

- i. The only independent transfer pricing exam
- ii. Passing the exam will demonstrate achievement of a standard and global benchmark of transfer pricing expertise
- iii. Global availability
- iv. Obtain a stand-alone certificate or use it as one of the three Option Papers to achieve the ADIT professional qualification.

i. How much does it cost?

Student registration fee is £180 which expires in five years. Examination registration fee is £165. The deadline to register as a student and for examinations is 28 February 2012.

j. How long does it take?

Depending on the background, knowledge and experience in transfer pricing candidates spend on average 140 hours preparing for the three hour written exam.

k. When is the exam?

The next exam session is Tuesday 12 June (Paper I), Wednesday 13 June (Paper II) and Thursday 14 June (Paper III). The Transfer Pricing examination will be offered on Thursday 14 June 2012.

l. Where can I take the exam?

There are currently a number of centres around the world. Please contact the ADIT team at info@adit.org.uk for further information about examination centres.

m. How can I find courses and learning assistance?

The full list of course providers is available on the website at <http://www.tax.org.uk/adit/course-providers>

n. Where can I find the Transfer Pricing exam syllabus?

The Transfer Pricing syllabus is available to download from the ADIT website at <http://www.tax.org.uk/adit>

o. Where can I find a sample exam paper and suggested answers?

The Transfer Pricing sample exam paper and suggested answers are available to download from the ADIT website at <http://www.tax.org.uk/adit>

p. Why should I go on and complete the remainder of the ADIT qualification?

- Global benchmark of quality and achievement and an independent means of demonstrating international tax expertise
- Portable and complementary qualification across borders and industries
- Joining a growing global network of 1,000+ ADIT Students, Graduates and Affiliates in 70 different countries – every continent, major market centre, and every business sector represented
- Joining the “LinkedIn” ADIT group
- Demonstration of your ability in a “home” country taxation system and in a “non-home” or “away” countries taxation system – regardless of where you live or work
- Being entitled to put the designatory letters “ADIT” after your name
- Modular structure makes it flexible and easier to fit study and exams around work commitments

q. If I am already an ADIT Graduate or Affiliate can I still sit the Transfer Pricing paper?

Yes, ADIT Graduates and Affiliates are welcome to sit the Transfer Pricing exam even though they have completed the requirements for the Diploma. ADIT Graduates and Affiliates will not need to re-register as students in order to enrol for the exam.

r. Who can I contact with other questions I have?

Please contact Stacey Scott-Joseph (sscott-joseph@ciot.org.uk) if you have any further questions.