The declining efficacy of entity-level corporate income taxation, and of such key concepts in its current implementation as transfer pricing and permanent establishment rules, has led countries to look for new ways to reach the often low-taxed global profits of highly profitable (and often American) companies that rely on intangible property and, in some cases, the use of digital platforms. Through novel tax instruments such as digital service taxes, countries are in effect transforming “source” from an ostensible characteristic of income to a signifier of taxing nexus that might possibly be associated with location-specific rents. Both the design issues posed from a unilateral national welfare standpoint, and the strategic issues (both cooperative and competitive) that these new instruments raise are still in the early stages of playing out.

ABOUT THE SPEAKER

Before entering law teaching, Daniel Shaviro spent three years in private practice at Caplin & Drysdale, a leading tax specialty firm, and three years as Legislation Attorney at the Joint Congressional Committee on Taxation, where he worked extensively on the Tax Reform Act of 1986. In 1987, Shaviro began his teaching career at the University of Chicago Law School, and joined the New York University School of Law in 1995.