Training course on Taxation of Digital Economy

Professional Development Training Course Outline

Category	Legal Institute	**Duration**	5 Days
Base Fee	$1,500 USD	**Delivery Mode**	Online / On-site Hybrid

Course Introduction

The advent of the digital economy has fundamentally reshaped global commerce, creating unprecedented opportunities for businesses and individuals to transact across borders with ease and efficiency. However, this transformation has simultaneously presented an immense challenge to traditional international tax frameworks, which were largely designed for a brick-and-mortar world where physical presence dictated taxing rights. Highly digitalized business models, characterized by remote operations, reliance on intangible assets, vast data monetization, and network effects, often generate significant value in jurisdictions where they have minimal or no physical footprint. This disconnect has led to concerns about base erosion and profit shifting (BEPS), a perceived unfair allocation of taxing rights, and a competitive imbalance between traditional and digital businesses. Governments worldwide are grappling with how to effectively and fairly tax these novel economic activities, leading to a complex and rapidly evolving landscape of unilateral measures, multilateral initiatives, and ongoing international debate. Navigating these complexities is paramount for multinational enterprises, tax authorities, and legal professionals alike to ensure compliance, mitigate risks, and adapt to the future of global taxation. Training Course on Taxation of Digital Economy will delve deeply into the conceptual and practical challenges posed by the taxation of the digital economy, exploring why existing international tax rules often struggle to capture value created in the digital sphere. Participants will gain crucial insights into the evolution of the debate, from initial discussions on Permanent Establishment (PE) for digital businesses to the proliferation of Digital Services Taxes (DSTs) and the ambitious OECD/G20 BEPS 2.0 project. A significant focus will be placed on understanding the principles of Pillar One (reallocation of taxing rights) and Pillar Two (global minimum tax), which aim to fundamentally reshape the international tax architecture. Furthermore, the course will examine the intricacies of VAT/GST on digital services, the tax implications of data monetization, and the unique challenges faced by highly digitalized businesses in ensuring compliance across multiple jurisdictions. By analyzing the latest policy proposals, engaging with real-world case studies, and discussing the impact of automation and AI on tax administration, attendees will develop the strategic acumen to effectively advise clients, manage digital tax risks, and contribute meaningfully to the evolving global tax landscape, ensuring both fiscal integrity and sustainable digital growth.

Programme Curriculum

Training Course on Taxation of Digital Economy

Introduction

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Course Objectives

Upon completion of this course, participants will be able to:

1. Analyze the fundamental **tax challenges of the digital economy** for traditional international tax rules.
2. Understand the concepts of **economic nexus** and **value creation** in a digital context.
3. Examine the evolution of **Permanent Establishment (PE)** for highly digitalized businesses.
4. Evaluate the design, purpose, and impact of **Digital Services Taxes (DSTs)** implemented unilaterally.
5. Master the key principles and implications of the **OECD/G20 BEPS 2.0 project**, including **Pillar One**.
6. Understand the mechanics and compliance requirements of **Pillar** Two (global minimum tax).
7. Navigate the complexities of **VAT/GST on digital services** for cross-border supplies.
8. Assess the **tax implications of data monetization** and user participation.
9. Identify and manage **tax risks** specific to digital business models.
10. Comply with evolving **international tax reporting** and transparency requirements for digital entities.
11. Discuss the role of **multilateral instruments (MLI)** in treaty modifications for the digital era.
12. Formulate **tax planning strategies** for digital businesses in light of new international tax rules.

13. Analyze the interplay between **tax policy**, technological advancement, and the future of global commerce.

Target Audience

This course is designed for professionals who need to understand the tax implications of the digital economy:

1. **Tax Professionals:** Corporate tax managers, tax accountants, and tax advisors working with digital businesses.
2. **Corporate Finance Executives:** Involved in strategy and financial planning for technology and digital service companies.
3. **Legal Counsel:** Attorneys specializing in tax, M&A, and technology law.
4. **Public Accountants and Auditors:** Dealing with digital economy clients.
5. **CFOs and Controllers:** Overseeing financial operations for highly digitalized businesses.
6. **Digital Business Owners/Entrepreneurs:** Seeking to understand their tax obligations and risks.
7. **Government Officials:** Working in tax authorities, finance ministries, or policy development related to digital taxation.
8. **Technology Consultants:** Advising on business models and operations with significant tax implications.

Course Duration: 5 Days

Course Modules

Module 1: Understanding the Digital Economy and Tax Challenges

- Defining the Digital Economy: Characteristics and Business Models.
- Why Digitalization Challenges Traditional Tax Rules: Lack of Physical Presence.
- Value Creation in the Digital Economy: Data, User Participation, Network Effects.
- The Concept of "Nexus" in the Digital Age.
- Introduction to the international tax debate on the digital economy.

Module 2: Permanent Establishment (PE) in the Digital Age

- Traditional PE Concept under Tax Treaties (OECD Model Article 5).
- Challenges to the PE Definition for Digital Businesses (e.g., server as PE).
- Evolution of PE Concepts: Dependent Agent PE, Services PE.
- Proposals for New Nexus Rules: Significant Economic Presence (SEP).
- The concept of **Fractional PE** and its implications.

Module 3: Digital Services Taxes (DSTs): Unilateral Responses

- Rationale for Unilateral DSTs: Addressing perceived unfairness and revenue loss.
- Common Features of DSTs: Scope of Services, Revenue Thresholds, Tax Rates.
- Examples of DSTs in different jurisdictions (e.g., France, UK, Kenya).
- Legal and Economic Impacts of DSTs on Businesses.
- Political and diplomatic challenges posed by unilateral DSTs.

Module 4: OECD/G20 BEPS 2.0 Project: Pillar One

- Overview of the BEPS 2.0 Initiative: Goals and Scope.
- **Pillar One:** Reallocation of Taxing Rights to Market Jurisdictions.
- Covered Businesses and Scope Limitations for Pillar One.

- Amount A: New taxing right based on residual profits.
- Amount B: Fixed return for baseline marketing and distribution activities.

Module 5: OECD/G20 BEPS 2.0 Project: Pillar Two

- **Pillar Two:** Global Anti-Base Erosion (GloBE) Rules.
- The Global Minimum Tax of 15%: Income Inclusion Rule (IIR) and Under-Taxed Profits Rule (UTPR).
- Scope of Application: Revenue Thresholds for Covered Entities.
- Calculation of Effective Tax Rate (ETR) and Top-Up Tax.
- Jurisdictional Implementation of Pillar Two rules and administrative guidance.

Module 6: Indirect Taxation of Digital Services (VAT/GST)

- Evolution of VAT/GST Rules for Digital Services: Destination-Based Taxation.
- Place of Supply Rules for B2C and B2B Digital Services.
- Simplified Registration and Compliance Regimes for Non-Resident Suppliers.
- Challenges in Determining Customer Location and Service Classification.
- Impact on E-commerce Platforms and Online Marketplaces.

Module 7: Tax Implications of Digital Business Models

- Taxation of Cloud Computing, SaaS, and Digital Content.
- Tax Challenges of Data Monetization and User-Generated Content.
- Cryptocurrency and Blockchain Taxation: Income, Transactions, NFTs.
- Tax Implications of Online Advertising and Intermediation Platforms.
- Tax Planning Considerations for Highly Digitalized Businesses.

Module 8: Compliance, Controversy, and Future Outlook

- Evolving Compliance Requirements for Digital Businesses.
- Role of Automation and AI in Tax Administration and Compliance.
- Managing International Tax Disputes in the Digital Era (MAP, Arbitration).
- The Multilateral Instrument (MLI) and its role in modifying tax treaties.
- Future of International Taxation: Beyond BEPS 2.0, new challenges, and continued reforms.

Training Methodology

- **Interactive Workshops:** Facilitated discussions, group exercises, and problem-solving activities.
- **Case Studies:** Real-world examples to illustrate successful community-based surveillance practices.
- **Role-Playing and Simulations:** Practice engaging communities in surveillance activities.
- **Expert Presentations:** Insights from experienced public health professionals and community leaders.
- **Group Projects:** Collaborative development of community surveillance plans.
- **Action Planning:** Development of personalized action plans for implementing community-based surveillance.
- **Digital Tools and Resources:** Utilization of online platforms for collaboration and learning.
- **Peer-to-Peer Learning:** Sharing experiences and insights on community engagement.
- **Post-Training Support:** Access to online forums, mentorship, and continued learning resources.

Register as a group from 3 participants for a Discount

Send us an email: info@fineskilltrainingcenter.com or call +254769199797

Certification

Upon successful completion of this training, participants will be issued with a globally recognized certificate.

Tailor-Made Course

We also offer tailor-made courses based on your needs.

Key Notes

- Participants must be conversant in English.
- Upon completion of training, participants will receive an Authorized Training Certificate.
- The course duration is flexible and can be modified to fit any number of days.
- Course fee includes facilitation, training materials, 2 coffee breaks, buffet lunch, and a Certificate upon successful completion.
- One-year post-training support, consultation, and coaching provided after the course.
- Payment should be made at least a week before the training commencement to FINESKILL TRAINING CENTER account, as indicated in the invoice, to enable better preparation.

Upcoming Scheduled Sessions

Start Date	End Date	Location	Price
07 Sep 2026	11 Sep 2026	Physical	$1,500
14 Sep 2026	18 Sep 2026	Physical	$1,500
21 Sep 2026	25 Sep 2026	Physical	$1,500
28 Sep 2026	02 Oct 2026	Physical	$1,500
05 Oct 2026	09 Oct 2026	Physical	$1,500
12 Oct 2026	16 Oct 2026	Physical	$1,500
19 Oct 2026	23 Oct 2026	Physical	$1,500
26 Oct 2026	30 Oct 2026	Physical	$1,500

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