

[Firm Letterhead]

Date: [Date]

To:

[Client Name]

[Client Address]

[City, Country]

RE: Tax Position Opinion - Cross-Border Transaction [Reference Number/Project Name]

Dear [Recipient Name],

1. Introduction

This opinion letter ("Opinion") is provided at your request regarding the tax implications of the proposed transaction between [Entity A - Country X] and [Entity B - Country Y] (the "Transaction"). The purpose of this letter is to evaluate the tax position under the laws of [Relevant Jurisdiction(s)] and the applicable Double Taxation Avoidance Agreement (DTAA).

2. Description of Facts

This Opinion is based on the following factual representations provided by [Client Name]:

- Nature of the Transaction: [e.g., Service Agreement, Asset Sale, Intellectual Property Licensing].
- Payment Terms: [e.g., Royalty, Dividend, Interest, Service Fee].
- Relationship between Parties: [e.g., Related Party, Independent Third Party].
- Timeline: [Date of Execution].

3. Applicable Law and Treaties

Our analysis considers the following legal frameworks:

- [Local Income Tax Act/Code of Jurisdiction A]
- [Local Income Tax Act/Code of Jurisdiction B]
- The [Country A] - [Country B] Double Taxation Convention (The "Treaty").
- OECD/UN Model Tax Convention Commentaries.

4. Analysis and Tax Position

Based on the facts provided, we analyze the tax position as follows:

4.1 Characterization of Income: [Analysis of whether income is Business Profit, Royalty, or Capital Gain].

4.2 Permanent Establishment (PE): [Analysis of whether the transaction creates a fixed place of business or agency PE].

4.3 Withholding Tax (WHT): Under the Treaty, the applicable WHT rate is [Percentage]%, provided that [Conditions, e.g., Tax Residency Certificate] is obtained.

4.4 Transfer Pricing: [Brief statement on arm's length principles, if applicable].

5. Conclusion and Opinion

It is our professional opinion that [Statement of Tax Position, e.g., the transaction is not subject to local tax in Country X, or is eligible for reduced treaty rates]. This position is "More Likely Than Not" to be sustained upon examination by tax authorities.

6. Limitations and Caveats

This Opinion is limited to the specific facts provided and the law as of the date of this letter. We assume no obligation to update this Opinion for subsequent changes in law or fact. This letter is intended solely for the use of [Client Name] and may not be relied upon by any other party.

Sincerely,

[Signature]

[Name of Partner/Director]

[Firm Name]