

# **UNIVERSITY OF FLORIDA GRADUATE TAX PROGRAM**

**Transfer Pricing  
Law 7683  
Spring Semester 2026  
2 Credits**

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**OFFICE HOURS** – The Professor (me) lives in Washington, D.C., but works in San Diego, California, commuting coast-to-coast. I teach this course entirely by Zoom. I am available online (Zoom or email or text) throughout the semester for questions and assistance by text, phone, or email (contact information above). As for a specific time, I reserve WEDNESDAYS for two hours, Noon to 2:00 PM EST, as my official office hours, during which we may conduct a virtual session (Zoom).

**LOCATION (Instructional Methods): ZOOM Live Lecture**

**ZOOM MEETING TIMES: 9:50 A.M. to 11:50 AM EST Wednesday mornings:**

<b>Class 1:</b>	<b>Jan 21</b>
<b>Class 2:</b>	<b>Jan 28</b>
<b>Class 3:</b>	<b>Feb 4</b>
<b>Class 4:</b>	<b>Feb 11</b>
<b>Class 5:</b>	<b>Feb 18</b>
<b>Class 6:</b>	<b>Feb 25</b>
<b>Class 7:</b>	<b>March 4</b>
<b>Class 8:</b>	<b>March 11</b>
<b>Class 9:</b>	<b>March 25</b>
<b>Class 10:</b>	<b>April 1</b>
<b>Class 11:</b>	<b>April 8</b>
<b>Class 12:</b>	<b>April 15</b>
<b>Class 13:</b>	<b>April 22</b>

## COURSE DESCRIPTION AND OBJECTIVES

This LL.M. course provides a practical, historical, and theoretical understanding of international transfer pricing, with exposure to related areas of taxation, such as Subpart F, FTC, and Tax Treaties.

### LEARNING OBJECTIVES AND OUTCOMES: AT THE END OF THIS COURSE STUDENTS WILL BE ABLE TO:

- Describe the relevant rules, regulations, guidance, foundations, concepts, principles, policies, practices, and procedures for determining taxable income in connection with controlled transactions among controlled taxpayers.
- Demonstrate an understanding of the rules, statutes, regulations, case law, guidance, and other relevant matters that govern the area of transfer pricing.
- Explain the various doctrines that apply for transfer pricing, competent authority, double taxation, permanent establishments, MAP (mutual agreement procedures), treaty based relief, APAs (Advance Pricing Agreements), documentation, dispute avoidance, dispute resolution, and similar matters.
- Describe the basic accounting and financial concepts that govern and underlie transfer pricing in the context of a multinational enterprise that conducts international commercial transactions using its supply chain network of controlled entities.
- Identify the U.S. statutes that are directly relevant to transfer pricing considerations, aside from the basic allocation provision of IRC section 482.
- Provide basic planning and compliance advice to future clients on transfer pricing laws, policies, practices, documentation, penalty avoidance, and procedural matters.
- Understand the practical and considerations for MNEs, including consistent strategies for effective management of the MNE's worldwide effective tax rate (ETR).

*To master these concepts, students must do the assigned reading. I design my lectures to augment the learning that the student brings to class by doing the assigned readings. Moreover, new developments occur constantly in transfer pricing. It is highly likely that we change and supplement the reading assignments during our term.*

### REQUIRED READING MATERIALS:

- UF has a subscription service to BNA Tax Management Portfolios. We will use the Foreign Income Portfolios, Numbers 886-2<sup>nd</sup> (by Warner) and 6880 (by Bowen); see also 551 and 552 T.M. (which are a bit out of date). I am working on revising 553 T.M., which is outdated, but still contains useful information in present form.
- The text used in the past in this course became outdated (Levey and Wrappe, Transfer Pricing: Rules, Compliance and Controversy (4th Ed. 2012). Although recently updated to the “fifth edition,” I do not recommend that you purchase this text – at least, not at full retail (it is very expensive, and not significantly different from the 4<sup>th</sup> edition to justify the obnoxiously high premium price). You generally can find the 4<sup>th</sup> Edition text second hand for a drastically discounted price (\$10 or thereabouts). Some students have commented that they found that a desk

copy comes in handy, other students, not so much. Trust me - we will be fine with the BNA Portfolios, plus the following ...

- Internal Revenue Code and Treasury Regulations, IRS Revenue Procedures, IRS Actions on Decisions, and other written guidance.
- OECD materials available from [www.oecd.org](http://www.oecd.org). Do NOT purchase any OECD materials. That is expensive and wasteful. The OECD continually posts, substitutes, augments, and updates the information on its website. The chances are substantial that during our class, the OECD will post further material that renders obsolete anything that you may have purchased. Thus, please – *please* – use the “read online” feature in that website.
- Other materials to be identified in class.

***To emphasize:*** You do ***NOT*** have to purchase a transfer-pricing-specific textbook for this class. The information that is available online is significantly more useful and up to date. To the extent possible, please save trees and forests by using electronic (internet) means to access materials from public sources. If you absolutely feel the need to buy a TP book, we will discuss reasonable options during the class.

## **RECORDINGS OF CLASS**

Students are allowed to record video or audio of class lectures. However, the purposes for which these recordings may be used are strictly controlled. The only allowable purposes are (1) for personal educational use, (2) in connection with a complaint to the university, or (3) as evidence in, or (3) in preparation for, a criminal or civil proceeding. All other purposes are prohibited. Specifically, students may not publish recorded lectures without the written consent of the instructor. A “class lecture” is an educational presentation intended to inform or teach enrolled students about a particular subject, including any instructor-led discussions that form part of the presentation, and delivered by any instructor hired or appointed by the University, or by a guest instructor, as part of a University of Florida course. A class lecture does not include lab sessions, student presentations, clinical presentations such as patient history, academic exercises involving solely student participation, assessments (quizzes, tests, exams), field trips, private conversations between students in the class or between a student and the faculty or guest lecturer during a class session. Publication without permission of the instructor is prohibited. To “publish” means to share, transmit, circulate, distribute, or provide access to a recording, regardless of format or medium, to another person (or persons), including but not limited to another student within the same class section. Additionally, a recording, or transcript of a recording, is considered published if it is posted on or uploaded to, in whole or in part, any media platform, including but not limited to social media, book, magazine, newspaper, leaflet, or third-party note/tutoring services. A student who publishes a recording without written consent may be subject to a civil cause of action instituted by a person injured by the publication and/or discipline under UF Regulation 4.040 Student Honor and Student Conduct Code.

## **Course Communications – ZOOM, email, cell phone (above)**

Please be sure to register for the Canvas course and have any required materials with you in print or easily accessible electronic form in class. You are responsible for checking your Canvas page and the e-mail connected to the page on a regular basis for any class announcements or adjustments.

## **COURSE EXPECTATIONS AND GRADING EVALUATION:**

Students are evaluated by a single written take-home exam at the end of the semester.

## **CLASS ATTENDANCE AND MAKEUP POLICY:**

Attendance in class is required by both the ABA and the Law School. Attendance will be taken at each class meeting. Students are allowed three absences during the course of the semester. Students are responsible for ensuring that they are not recorded as absent if they join the Zoom session late. A student who fails to meet the attendance requirement will be dropped from the course. The law school's policy on attendance can be found [here](#).

## **UF LEVIN COLLEGE OF LAW STANDARD SYLLABUS POLICIES:**

Other information about UF Levin College of Law policies is available at:

<https://ufl.instructure.com/courses/427635/files?preview=98226140>

## **UF ACADEMIC POLICIES AND RESOURCES:**

Other information about UF academic policies and resources is available at:

<https://syllabus.ufl.edu/syllabus-policy/uf-syllabus-policy-links/>

## **ABA OUT-OF-CLASS HOURS REQUIREMENTS:**

ABA Standard 310 requires that students devote 120 minutes to out-of-class preparation for every “classroom hour” of in-class instruction. Each weekly class is approximately 2 hours in length, requiring at least 4 hours of preparation.

## **CLASS SCHEDULE OF TOPICS AND ASSIGNMENTS**

**The following schedule is offered as a guide to the Course's direction. Our pace will depend in part on the level of interest and difficulty of each section and is subject to change.**

### **Class One Reading Assignment: IRC § 482 and Treas. Reg. § 1.482-1(a)**

Read as far as you can into Chapter One of Warner's Tax Management Portfolio. There will come a point where reading, with context via lecture, will not make much sense to you. So, stop when the subject matter becomes unclear. Also, please introduce yourself to the wealth of information contained on [www.oecd.org](http://www.oecd.org). This site contains an overwhelming amount of information and thus, presents a “rabbit hole” situation. Do not attempt to digest the entirety. Your mission should focus on general familiarity with the site and its offerings – in a sense, you are simply a Week-One

OECD “curious tourist” – so, drop into the website and look around a bit. In particular, use the search function for “transfer pricing,” and then we will discuss your observations and impressions.

## **Classes 1 and 2: Introduction to Transfer Pricing**

### **Welcome - Overview, Introductions, and Class Logistics**

#### **Lesson Plan/Learning Objectives:**

- Transfer Pricing Overview
- Introduction
- Example(s)
- Key Concepts
- The Statute (short) and Regulations (long)
- Control
- The Arm’s Length Principle
- Introduction to the U.S. Regulations
- Introduction
- Structure (“Transactions and Methods”)
- Nature and Authority

#### **Reading Assignment:**

Treas. Reg. §§ 1.482-1, -3

OECD Guidelines, Chapter One, available at

[https://read.oecd-ilibrary.org/taxation/oecd-transfer-pricing-guidelines-for-multinational-enterprises-and-tax-administrations-2022\\_0e655865-en#page9](https://read.oecd-ilibrary.org/taxation/oecd-transfer-pricing-guidelines-for-multinational-enterprises-and-tax-administrations-2022_0e655865-en#page9)

## **Classes 3 and 4: The U.S. Transfer Pricing Regulations**

#### **Lesson Plan/Learning Objectives:**

- Understanding the “Methods for Determining Taxable Income” Approach
- Controlled Transactions involving Tangible Goods
- CSTs (Controlled Services Transactions)
- The CPM (Comparable Profits Method)

#### **Reading Assignment:**

Treas. Regs. §§ 1.482-3, -5, -9

Selected OECD material (to be discussed)

## **Classes 5 and 6: The U.S. Transfer Pricing Regulations, Continued**

### Lesson Plan/Learning Objectives:

- Intangible Property Transfers
- CSTs (Cost Sharing Transactions) and CSAs (Cost Sharing Arrangements)
- Recent Important Case Developments

### Reading Assignment:

Treas. Regs. §§ 1.482-4, -7

IRC section 367(d) and its Treasury Regulations (just skim the regulations)

IRC section 936(h)(3)(B) (no longer in effect)

IRC section 197

Selected OECD material (to be discussed)

Optional:

*Veritas v. Commissioner*, Tax Court Opinion and AOD:

133 T.C. No. 14 (2009); AOD 2010-05 (Dec. 6, 2010)

*Xilinx v. Commissioner*, Tax Court and 9<sup>th</sup> Circuit Opinions, AOD:

598 F.3d 1191 (9<sup>th</sup> Cir. 2010, aff'g 125 T.C. 37 (2005))

567 F.3d 482 (9<sup>th</sup> Cir. 2009), withdrawn Jan. 13, 2010

AOD 2010-03 (July 16, 2010)

*Altera v. Commissioner*, Tax Court opinion

*Eaton v. Commissioner*, Tax Court opinion

*Amazon.com v. Commissioner*, Tax Court opinion

*Coca Cola v. Commissioner*, Tax Court opinion

OECD Intangibles BEPS Deliverable – New Chapter VI (library/online)

## Classes 7 and 8: The U.S. Transfer Pricing Regulations, Continued

### Lesson Plan/Learning Objectives:

- Cost Sharing – General Rules, *Altera & Veritas* aftermath, and related topics
- Arm's Length Standard ("Rise and Fall" debates, etc.)
- Role of Experts (Economic, Business, other)
- Litigation vs. ADR
- The Profit Split Method – Treas. Reg. § 1.482-6
- Other Provisions (Loans and Leasing, Global Dealing, "Other")
- Relevant Code Sections – IRC §§ 367(d), 936(h)(3)(B), 1059A
- CWI – Commensurate With Income Standard
- Overview – derivation and necessity (TRA 1986, etc.)
- Historical Perspective/Review
- IRS Chief Counsel viewpoint

### Reading Assignment:

*Skim* – *Bausch & Lomb, Inc. v. Commissioner*, 92 T.C. 523 (1989), aff’d 933 F.2d 1084 (2<sup>nd</sup> Cir. 1991)

*Read* – Treas. Reg. §§ 1.482-2A(d)(2)(ii)-(iii), -2A(e)(4)(1)(ii)

*Read* – *Compare* Treas. Reg. § 1.482-4(f)(2) *with* Treas. Reg. § 1.482-4

*Skim* – Treas. Reg. §§ 1.482-2 (loans, leasing), -8T (examples)

*Skim* – Prop. Treas. Reg. § 1.482-8 (Global Dealing)

*Look over* – Treas. Reg. §§ 1.482-0

IRS Chief Counsel Memorandum AM-2007-007 (3/23/07) (available by Google search)

*Skim quickly* – House report to TRA 86 (H. Rep. 99-841) –

*Can you find the intangibles discussion?*

## Classes 9 and 10: Transfer Pricing – Transfer Pricing Disputes and their Resolution

### Lesson Plan/Learning Objectives:

- Compliance & Controversy – PIDD model
- “Self Help”
- The ACU (arbitrary, capricious and unreasonable) legal standard
- Penalties and Documentation
- Administrative Process
- Economic Double Taxation
- APA and Competent Authority
- Customs and Tariffs

### Reading Assignment:

IRC § 6662(e)

Treas. Reg. §§ 1.6662-6, 1.6664-4

Treas. Reg. § 1.482-1(g)(3)

Treas. Reg. § 1.482-1(a)(3)

*Skim* – Rev. Proc. 99-32 (*and for true history aficionados, Rev. Proc. 65-17*)

IRC § 1059A

Rev. Proc. 2015-40, 2015-41

IRS Notices (citations to be supplied)

Selected OECD materials (to be discussed)

### Legal Research:

*What is “MAP,” where is it found, and why is it important?*

*Can you find the APA Annual Report? What is it?*

*What can you find out (if anything) about GlaxoSmithKline? Eaton?*

*What is the difference between Yamaha v. Commissioner, and Yamaha v. U.S.? What is the Starr case?*

## **Classes 11 and 12: Transfer Pricing – International Aspects (OECD)**

### **Lesson Plan/Learning Objectives:**

- The OECD (and time permitting, UN) Approaches to Transfer Pricing
- The “Pillars” (one and two)
- Selected Country-by-Country Considerations
- The “Comprehensive Resolution” Concept
- Tax Planning
- Relevant non-tax concepts (comity, practice considerations)
- What is BEPS?
- What are the BEPS Deliverables?

### **Reading Assignment:**

OECD selected readings (citations provided during Class 5)  
Anticipated BEPS readings: Action Items and others (to be updated)

## **Class 13: FINAL REVIEW**

### **Lesson Plan/Learning Objectives:**

- OECD - Tangibles
- OECD - Intangibles
- Business Restructurings (time permitting)
- Cost Contribution Arrangements
- Documentation

### **Reading Assignment:**

Selected OECD readings (BEPS citations to be supplied by Professor)

### **Legal Research:**

*None*

### **Lesson Plan/Learning Objectives:**

- Review – what you need to know and what you need to study for the Exam



**New Reading Assignment:** Review Your Notes and Outline

## **WRITTEN FINAL EXAM**

**Take-Home Exam - Check Schedule for Release  
Time and Mandatory Turn-In Time**