

INTERNATIONAL AND EUROPEAN TAX LAW

CASE STUDY: Taxation of cross-border activities

A, an Italian shoe manufacturer, has been selling shoes in Austria for many years through several local retailers. Given that A's brand is well received in the local market, A is planning to expand its operations in Austria and considers various possibilities to that purpose, such as maintaining a local warehouse to expedite deliveries, establishing a local office to take direct orders, selling through a local distributor, or even acquiring a local subsidiary.

A requests your professional advice regarding the tax implications of the various alternatives.