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for the future
controversy landscape
today?

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How businesses can navigate transfer pricing risks

A convergence of trends, including global tax reform, supply chain reconfiguration and digital transformation, is putting pressure on transfer pricing (TP), increasing the risk of tax controversy. Fifty-six percent of participants in the 2021 EY International Tax and Transfer Pricing survey believe there is uncertainty in TP, which is creating an unstable environment and decreasing their ability to depend on past settlements and court cases for current enforcement guidance. Despite this instability, over 50% of respondents report they still rely on their past experiences to assess TP risk. To proactively manage TP risk, companies need to understand how TP audits are currently being resolved and what information tax administrators are requiring — they also should consider proactive certainty and cooperative compliance programs. For insights on these issues, read our recent article [“How leaning into transfer pricing transformation helps manage tax risk.”](#)

Related articles:

- ▶ [Issue 40: Improve risk management by understanding the interplay between transfer pricing and indirect taxes](#)
- ▶ [Issue 39: Shifting international tax landscape may bring greater tax controversy risks](#)
- ▶ [Issue 38: Trends in cross-border tax controversy: multilateralism rising](#)
- ▶ [Issue 37: Customs audit trends can help businesses improve trade performance](#)

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