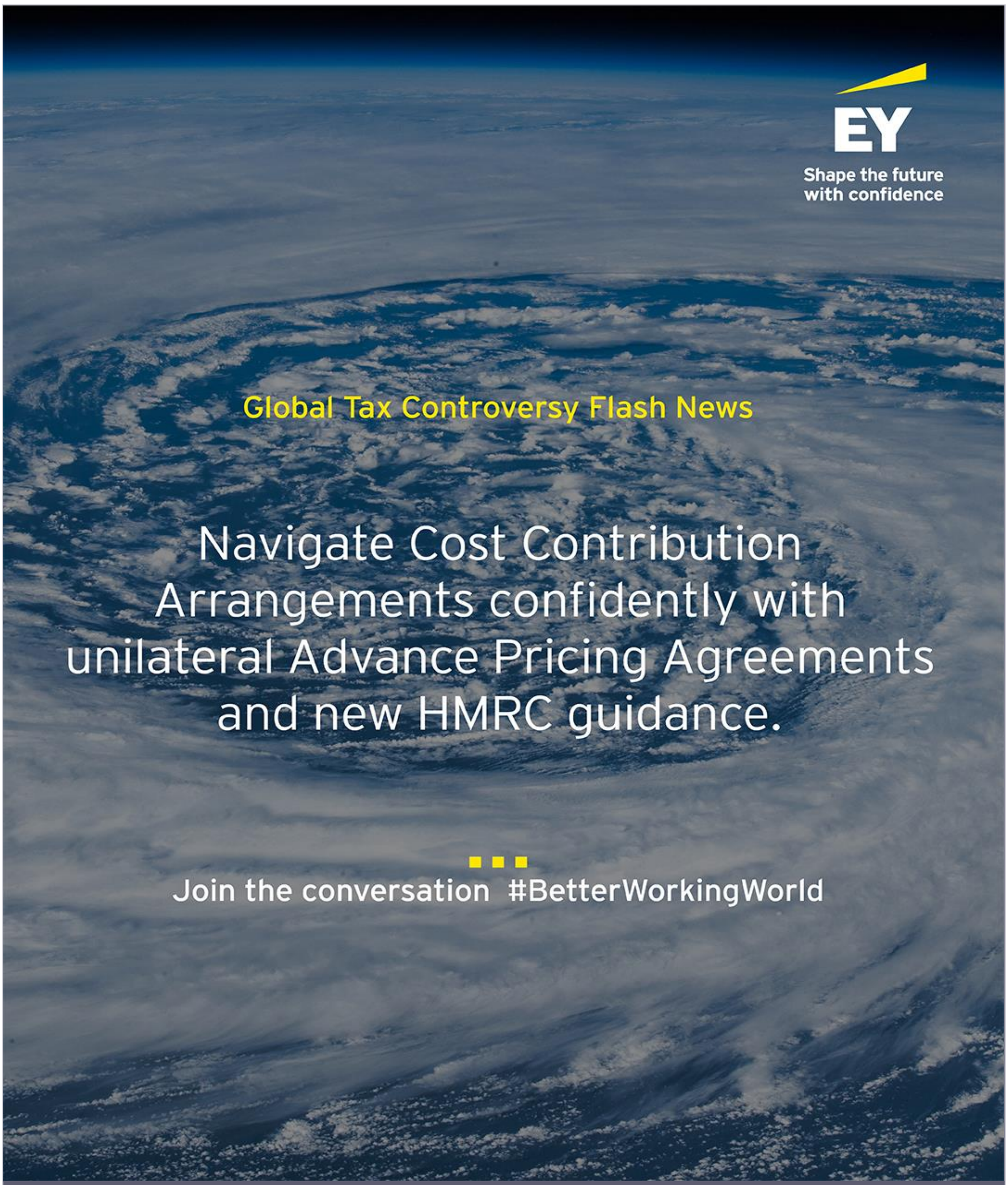

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Issue 81, May 2025

Unilateral APAs may now be used to solve Cost Sharing Arrangements disputes

In March 2025, His Majesty's Treasury announced that taxpayers may now apply for unilateral Advance Pricing Agreements (APAs) to gain certainty on the recognition of Cost Contribution Arrangements (CCAs) through the UK's APA program. Applications are now possible, including for taxpayers currently under enquiry. Details are available in our **EY Tax Alert**.

This March development is a response to His Majesty's Revenue & Customs (HMRC) January 2024 operational guidance on their interpretation of the role of risk control in a transfer pricing analysis (see this **EY Tax Alert** for details). In their application of this framework, HMRC raised concerns with taxpayers over their participation in CCAs, and the requisite control over risk to be evidenced.

Related articles:

- Issue 80: The EU ViDA initiative aims to close the "VAT gap"
- Issue 79: How increased global competition is reshaping tax priorities
- Issue 78: Preparing for enhanced customs audits
- Issue 77: Dispute resolution: OECD reports mixed results across APA and MAP programs globally

Contact us for more information

Luis Coronado
EY Global Tax Controversy Leader
luis.coronado@sg.ey.com

Craig A Hiller
EY Global International Tax and Transaction Services Leader
craig.hiller@ey.com

Kevin MacAuley
EY Global Indirect Tax Leader
kmacauley@uk.ey.com

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