

The Mechanics of Aggressive Tax Planning by Multinational Corporations

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November 2013

Abstract:

The aggressive tax planning practices of Multinational Corporations has been the focus of much public attention over recent times. Investigations conducted by the US Senate and the UK parliament over the summer of 2013 revealed that many well-known MNCs pay only a tiny fraction of their global profits in corporation tax. Much attention has focussed on Caribbean jurisdictions and Ireland and the Netherlands as conduits for these profit flows. The paper explores the financial architecture that MNCs construct in order to avoid taxation. (The early draft submitted here has been written primarily for an Irish audience, but the final academic paper when written up will adopt a more global focus).