

## **Examiner's Feedback Report – Module C 2025 - 2026**

The assignment question required candidates to consider the tax treaty implications and risks associated with the operations of Anchor Group, which had operations in various jurisdictions.

The question required candidates to consider various tax treaty concepts, namely:

- The beneficial ownership risk which Anchor B Ltd faces when receiving dividends from Anchor C Ltd given its immediate distribution of dividends to Anchor Ltd
- The permanent establishment risk of Anchor C Ltd in Country Y due to Jade Rock's presence in Country Y
- The dual residence risk of Anchor D.

Performance in this assignment wasn't quite satisfactory. An assignment requires candidates to carry out their own in-depth research into the subject, and in most cases, this was not done. In several cases not even issues discussed in class were tackled with sufficient depth.

Most candidates identified the beneficial ownership risk for Anchor B Ltd, but only a few went deeper into the topic by referring to case law, candidates mostly relied on the OECD. Further research is expected in an assignment.

The permanent establishment risk of Anchor C Ltd in Country Y was mostly not tackled effectively enough. Only a few candidates referred to the 2025 updates to the OECD Commentary, and most continued referring to the old Commentary which is concerning given that it was tackled in class. What is, however, positive is that a number of candidates did consider the agency PE risk that Jade Rock may create.

The dual residence risk of Anchor D was mostly covered well by candidates.

The preparation of the assignment allows candidates more time to prepare as well as allows them access to information and materials. More time to research is required when preparing the assignment and proper referencing of materials is also a must.