
Determining the arm's length price range for taxation purposes

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The article describes a mechanism to determine arm's length prices for taxation purposes. The mechanism is developed in compliance with the tax legislation for pricing control. The proposed instrument of determining the minimum and maximum acceptable prices is based on the comparable uncontrolled price method. The mechanism enables taxpayers to take into account the deviations from arm's length prices in the controlled transactions and to avoid possible fines and penalties.

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