

New Service

Preparing for Transfer Pricing Audits



Audit of transfer pricing obligations

Recently, the Hungarian Tax Authority (“HTA”) has been focusing on auditing transfer pricing documentation and strictly examines the formal requirements prescribed by law. In case of deficiencies, a penalty of HUF 5 million per documentation may be imposed, which can increase to HUF 10 million for repeat violations. Data reporting will also come under scrutiny: the HTA will start the audit of the local file from the data reporting, making it particularly important that the transfer pricing documentation is consistent with the reported data.

In view of the above, PwC’s transfer pricing team will be offering a new service package for clients. After reviewing the data reporting for a selected fiscal year, as well as the transaction-level part of the local file for a chosen related-party transaction, we will identify potential transfer pricing audit risks in a workshop and will propose solutions to mitigate risks. As part of our service, we will ask questions likely to arise during a tax audit based on our previous experience with HTA audits.

Our value proposition

Increasing our clients’ preparedness in connection with transfer pricing, taking into account the tax audit practices applied by the HTA.

Service content

- Participating in a one-hour phone call/online consultation regarding your company’s activities and related-party transactions.
- Reviewing your company’s transfer pricing data reporting for one fiscal year and identifying potential risk areas.
- Based on the previous two points, reviewing the transaction-level part of the local file for a chosen transaction.
- One-hour virtual workshop, during which we will present the identified risk areas and propose measures to mitigate them.

Language: Hungarian or English

Fee: *EUR 2,500 + VAT

What are the strengths of our team?

- We have market-leading practical experience in tax authority audits, especially in tax authority practices.
- We have in-depth knowledge of audit processes and audit bodies.
- We leverage our wide-ranging industry expertise to provide customised support.



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