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COURSE BROCHURE

Withholding Tax and Foreign Tax Credit Basics Training Course

29 March – 2 April 2027
Barcelona

Withholding Tax and Foreign Tax Credit Basics Training Course

Ref: 2089_76950 **Date:** 29 March – 2 April 2027 **Location:** Barcelona **Fees:** 5600 GBP

Withholding Tax and Foreign Tax Credit Basics is a 1-week training course for accountants new to cross-border tax, built around one work product: an outbound payments withholding tax checklist that classifies each payment and records the relief due. As groups pay more service fees, royalties and interest across borders, small errors at the payment stage now turn into penalties and lost relief. The course is delivered by Jupiter Prime Training.

Why Withholding Tax and Foreign Tax Credit Basics Matters Now

Three forces shape withholding tax work today: tax authorities moving to electronic filing and real-time matching of payments, groups buying more digital services and intellectual property from abroad, and finance shared service centres taking over tax steps once handled by advisers. An organisation that deducts correctly keeps supplier relationships smooth and claims every foreign tax credit it is due; one that guesses pays tax twice or faces interest on underpaid deductions. The course rests on the internationally recognised model tax conventions and general credit and exemption relief principles.

Who Gains Most from Withholding Tax and Foreign Tax Credit Basics

- Accounts payable staff who release payments to overseas suppliers and lenders
- General ledger accountants who book tax deducted and tax suffered abroad
- Tax assistants who prepare withholding returns and payment certificates
- Treasury staff who arrange intra-group interest and dividend flows
- Subsidiary finance staff receiving income taxed at source

A finance shared service centre gains most when its payables, ledger and tax staff attend together.

Withholding Tax and Foreign Tax Credit Basics Capabilities

Participants follow a payment from invoice to tax certificate and see where relief is lost.

- Classify payments as dividends, interest, royalties or service fees — the payables team setting the deduction rate
- Apply source and residence rules to a cross-border payment — the accountant deciding whether tax is due
- Calculate withholding tax on gross and grossed-up amounts — the supplier negotiating contract terms
- Test documentation for reduced-rate claims — the tax reviewer approving a lower deduction
- Calculate a foreign tax credit with its ceiling — the group reporting tax suffered abroad
- Communicate withholding positions in contracts — procurement agreeing payment clauses

Key Withholding Tax and Foreign Tax Credit Basics Terms

- Withholding tax — tax deducted by the payer from a cross-border payment on the recipient's behalf.
- Foreign tax credit — a reduction in home tax for tax already paid abroad on the same income, usually capped.
- Gross-up clause — a contract term requiring the payer to increase a payment so the recipient receives the agreed net sum.
- Beneficial owner — the person entitled to income in substance, not merely a conduit receiving it for someone else.
- Certificate of tax deducted — a document from the payer confirming the amount withheld.
- Credit ceiling — the limit that restricts a foreign tax credit to the home tax due on the same foreign income.

Withholding Tax and Foreign Tax Credit Basics Day by Day

Day 1: How Income Is Taxed Across Borders

- Source and Residence Taxing Rights — Deciding Which State Taxes First
- Juridical and Economic Double Taxation — Identifying Where Tax Overlaps
- Payment Types and Their Tax Treatment — Mapping Outbound Flows
- Corporate Groups and Branch Structures — Seeing Where Income Arises
- Withholding as a Collection Method — Explaining Why Payers Deduct Tax

Day 2: Deducting Tax on Outbound Payments

- Payment Classification Decision Tree — Setting Dividend, Interest or Royalty Treatment
- Service Fees and Digital Services — Spotting Payments Caught at Source
- Gross and Grossed-Up Calculations — Agreeing Net Amounts With Suppliers
- Withholding Returns and Payment Timetables — Avoiding Interest and Penalties
- Certificates of Tax Deducted — Supporting the Recipient's Relief Claim

Day 3: Relief From Double Taxation

- Credit and Exemption Methods — Choosing How Home Tax Gives Relief
- Foreign Tax Credit Calculation and Ceiling — Measuring Usable Relief
- Unilateral Relief Rules — Claiming Credit Without a Bilateral Agreement
- Reduced Rates in Model Tax Conventions — Recognising When Lower Rates Apply
- Beneficial Ownership and Residence Evidence — Supporting a Reduced-Rate Claim

Day 4: Accounting, Contracts and Group Planning Concepts

- Journal Entries for Tax Withheld and Suffered — Recording Receivables and Expenses
- Withholding Clauses in Supply and Loan Agreements — Allocating the Tax Cost
- Intra-Group Dividend and Interest Flows — Planning Cash Repatriation Routes
- Anti-Abuse Concepts and Substance Tests — Recognising Arrangements That Fail
- Examples From Engineering Services and Software Licensing — Comparing Sector Patterns

Day 5: Practising the Outbound Payments Withholding Tax Checklist

- Classification of a Sample Payments Ledger — Applying Payment Type Rules
- Deduction and Gross-Up Worksheet — Applying Calculation Methods
- Foreign Tax Credit Schedule for a Subsidiary — Applying Relief Methods
- Documentation File for Reduced Rates — Applying Evidence Requirements
- Outbound Payments Withholding Tax Checklist — Presenting the Control for Sign-Off

Applying Withholding Tax and Foreign Tax Credit Basics After the Course

- Classify one month of overseas supplier payments against the payment type rules.
- Rebuild one subsidiary's foreign tax credit schedule, including its ceiling.

Withholding Tax and Foreign Tax Credit Basics Questions FAQ

What are withholding tax and foreign tax credit basics, and why do they matter now?

They are the rules for deducting tax from cross-border payments and for claiming relief on tax paid abroad. They matter now because electronic filing exposes errors quickly and groups make more overseas payments than before.

Which roles gain most from withholding tax and foreign tax credit basics training?

Payables, ledger, tax, treasury and subsidiary finance staff gain most. It suits anyone who releases or records cross-border payments.

How does withholding tax and foreign tax credit basics differ from an advanced international tax course?

It is a foundation course focused on the payment stage and relief claims. Advanced courses on group structuring or transfer pricing assume these deductions and records are already correct.

What do you bring back from withholding tax and foreign tax credit basics training?

You bring back a checklist for outbound payments. It covers classification, gross-up steps, reduced-rate evidence and credit records.

Withholding Tax and Foreign Tax Credit Basics: The Way Forward

The outbound payments withholding tax checklist first informs whether a payment is released gross or net of tax. Payables staff use it daily and tax staff review it before each return. After its first quarter of use, revisit the classification rules for service fees and digital purchases, where new payment types appear fastest.