

NAME: _____

INSTRUCTIONS:

Recall Quiz #1 instructions.

QUESTIONS:

1. **T F** Each foreign country that has substantial minimal contracts with a corporation has a taxable nexus with that corporation **and** taxes that corporation's income.
2. **T F** An "IP holding company" might allow the parent to shift the location of sales **and** of profits to a low tax jurisdiction. This profit shifting is accomplished best by using a merger.
3. **T F** The Board of Directors of a foreign subsidiary will be made up entirely of USA expatriates.
4. **T F** Employee stock options in a foreign subsidiary may cost both the employee **and** the employer more in taxes than the options' fair market value.
5. **T F** A USA firm with a federal trademark using that mark in other countries does **not** infringe.
6. **T F** "Employment at will" is substantially the same in the USA **and** in most other countries.
7. **T F** Employee privacy receives substantially identical legal protection in the European Union (EU) **and** in the USA.
8. **T F** Employee benefits paid for directly by the employer to the employee (*e.g., vacation*) as well as paid **indirectly** by the employer (*e.g., taxes*) are substantially similar in the EU **and** the USA.
9. **T F** The anti-discrimination laws of the USA apply to a USA firm's actions both within **and** outside the USA if the harm is done to citizen of the USA.
10. **T F** The USA rule of "substance over form" when determining an "agent's" status as either an employee **or** an independent contractor, is substantially the same as the rule used in other countries.

NAME: _____

INSTRUCTIONS:

Recall Quiz #1 instructions.

QUESTIONS:

1. **T F** Each foreign country that has substantial minimal contracts with a corporation might have a taxable nexus supporting taxation of that corporation's income.
2. **T F** An "IP holding company" allows the parent to shift the location of sales **and** of profits to a low tax jurisdiction. This profit shifting is accomplished best by using a subsidiary.
3. **T F** The Board of Directors of a foreign subsidiary rarely can be made up entirely of USA expatriates.
4. **T F** Employee stock options in a foreign subsidiary may cost both the employee **and** the employer less in taxes than the options' fair market value.
5. **T F** A USA firm with a federal trademark using that mark in other countries does **not** necessarily infringe.
6. **T F** "Employment at will" is very different in the USA **and** in most other countries.
7. **T F** Employee privacy receives substantially different legal protection in the European Union (EU) **and** in the USA.
8. **T F** Employee benefits paid for directly by the employer to the employee (*e.g., vacation*) as well as paid **indirectly** by the employer (*e.g., taxes*) are substantially different in the EU and the USA.
9. **T F** The anti-discrimination laws of the USA apply to a USA firm's actions both within **and** outside the USA if the harm is done to citizen of the USA.
10. **T F** The USA rule of "substance over form" when determining an "agent's" status as either an employee **or** an independent contractor, is substantially different from the rule used in other countries.