

The Hong Kong University of Science and Technology
Department of Information Systems,
Business Statistics and Operations Management

Seminar Announcement

Global Production and Tax Planning for a Multinational Firm

by

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Date: Friday, 27 Nov 2009

Time: 3:30 – 5:00 pm

Venue: Room 4379, ISOM Conference Room (Lift 17/18)

~~~~~ All interested are welcome ~~~~~

**Abstract:**

Most countries in the world employ some forms of the worldwide tax system in which a multinational firm's global incomes are subject to its home country's tax. To avoid double taxation, some countries such as U.S. and Japan permit the use of foreign tax credits (the portion of foreign tax payments that exceed the home country tax liabilities) generated from a subsidiary (located in a high-tax regime) to offset the tax liability from another subsidiary (located in a low-tax regime). In this presentation, we explore various decentralized and centralized control structures which allow the global firm to coordinate supply chain decisions at subsidiaries located in different low and high tax countries to maximize its global after-tax profits.

**Biography:**

Vernon Hsu is a Professor of Decision Science & Managerial Economics in the Faculty of Business Administration, Chinese University of Hong Kong. He has also held faculty positions at the University of New South Wales, Australia, George Mason University, USA, and Hong Kong University of Science & Technology.

Professor Hsu's research interests include logistics and supply chain management and the application of optimization theory in Operations Management and Information Systems. One of his current research projects investigates the integration of international tax planning with global supply chain design. His research has been published in journals such as *IIE Transactions*, *Journal of Industrial Economics*, *Management Science*, *Manufacturing and Service Operations Management*, *Naval Research Logistics*, *Operations Research* and *Productions and Operations Management Journal*.