



INTRODUCTION Permanent Establishment (PE) constitutes the trigger for taxation of a foreign enterprise in respect of the income derived from the business carried out by it in a foreign country, called the source state. Naturally, the concept of PE has significant implications on the taxability of the business carried out by a foreign enterprise as part of cross border trade. Also, being inherently linked to the business of the taxpayer, the concept needs constant evolution with the changing ways and means of doing business. Undoubtedly, the PE definition and the commentaries thereon have undergone significant changes in the past and will continue to do so in the future. Artificial avoidance of the PE status through Commissionaire (agency) arrangements. Action Plan 7 of the Base Erosion and Profit Shifting (BEPS) project calls.....