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Your deal step by step

The tax side of Deals

Our Deals Tax team will assist you throughout the whole transaction process, developing and monitoring the implementation of value added solutions.



Our services cover the entire transaction cycle



Fund Structuring

- Structuring of private equity funds
- Optimisation of the Management's remuneration structure
- Tax monitoring of funds



Pre-Deal

- Support in the negotiation
- Financing structuring
- Tax modelling
- Funds flows



Due diligence

- Buy-side due diligence
- Vendor due diligence
- Vendor assistance



Deal

- Advice in the negotiation process
- Sale and Purchase Agreement (SPA) review
- Structuring of the acquisition/disposal
- Financing structuring



Post Deal

- Post Deal Integration™
- Structuring reorganisation operations
- Monitoring the implementation of tax structures
- Structuring disinvestment

Tax Modelling

The development of financial models to support an investment strategy implies the detailed quantification of the tax costs and cash-flows arising from the envisaged operation.

The quantification of the tax impacts that arise from different acquisition structures is essential to evaluate and decide which is the best alternative to be chosen.

PwC Services

Our Tax Modelling services offer advanced technical expertise in order to provide our clients with clear and assertive information about the tax impacts that may arise from different structures.

Buy-side due diligence

Tax contingencies are often underestimated when it comes to evaluate a target.

Once they are not duly reflected in the financial statements, tax contingencies can turn a business less attractive than it initially may seem.

The identification and evaluation of those contingencies is crucial for the investor to evaluate the target's profitability and also to measure the risks to which they are exposed.

PwC Services

We support the buyer on the identification and understanding of the tax risks to which the target is exposed, in order to ensure that our clients make informed decisions and require adequate warranties to cover the risks identified.

We improve the buyer's understanding on the target, allowing him to make the most suitable offer according to reality.

Vendor due diligence and vendor assistance

A due diligence process carried out by the seller allows him to manage all the transaction process, ensuring a greater transparency and efficiency.

Additionally it allows the seller to control the audit procedures carried out by potential buyers and, in this sense, predict possible divergences that may arise.

At the same time, it may work as an attractiveness factor for potential buyers who are not willing to bear transaction costs.

PwC Services

Our vendor due diligence and vendor assistance services provide the seller with a greater control over the sale's process and timing.

We advise the seller's management team through a timely supply of information about the risks to which the company is exposed, in order to ensure that all the corrective measures are taken in due course.



Assistance in the negotiation

The Share Purchase Agreement (SPA) is one of the most important aspects of a transaction. In the SPA, the parties set up the price, warranties and/or the indemnities owed by the seller and/or the buyer, among other relevant aspects.

The SPA is a mechanism through which the risks are allocated between the parties. In this sense, it is essential that all the relevant aspects related to the transaction are properly documented on the SPA.

As far as or even more important than identifying the tax risks to which the target is exposed, is to ensure that they are duly covered by an effective price adjustment or warranties, in order to safeguard the buyer/seller's best interests.

PwC Services

We provide assistance in the negotiation of the price adjustment and in the SPA review, in order to ensure that the tax risks or exposures are duly covered.

Structuring

In an increasingly competitive market, the return from an investment cannot be solely based on the results that it may generate.

The minimisation of the tax impacts, an efficient funds allocation and the tax optimisation of transaction costs are key factors for the maximisation of the value to the shareholder.

A merger or acquisition process has several tax impacts, namely a direct impact on the shareholder's return, which makes it one of the greatest challenges for a successful transaction.

PwC Services

We advise on the tax definition and optimisation of:

- Shareholding structure;
- Acquisition structure;
- Target's organisation;
- Financing;
- Allocation of transaction costs;
- Funds repatriation;
- Management's remuneration structure;
- Disinvestment;
- Integration of tax and accounting policies.

Post deal services

After the transaction completion, the chosen shareholding structures must be put into practice, meaning that several tax obligations should be timely fulfilled, in order to ensure a correct implementation.

Moreover, since the beginning of the process, the target must be prepared for an eventual future sale, ensuring that all the identified contingent procedures are adjusted.

Additionally it is necessary to ensure that all the tax and accounting policies are properly integrated.

PwC Services

Our specialized team works in the field, in order to ensure smoothness and stability during the transition period.

During the first 100 days, we develop action plans to ensure the target integration under the envisaged procedures, monitoring its proper implementation.

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