

## The principle of Market Price in the Albanian Regulatory Legal Framework

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### Abstract

Due to the technological revolution, trading has crossed the barriers of nations' borders. The technological revolution has given easy access to various resources, which have been distributed in different parts of the world and which until now have remained unused. Technology, then, has reduced the world to a global village. On one hand this development leads us to the concept of "one world, one economy", but on the other hand it has also raised various issues of concern which are of economic, social and political nature.

Of all the issues mentioned above, many scholars propose to critically assess the issue of taxes associated with multinational corporations that change or evade due to cross-border transactions. Avoiding tax evasion is done through various means and different methods regulated by the respective governments. One of the principles of control of these transactions which try to lighten the tax burden in different countries is comparability. This principle is measured by several methods, but the most common and well-known is the Market Price Principle or Arm's Length.

This paper studies this method, its conditions, its prevalence and makes a study on the Albanian legal regulatory framework which makes possible the application of this and other less used methods in determining the transfer price.

**Keywords:** Double Taxation, Transfer Pricing Methods, MNC, Market Price Principle, Arm's Length.

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