

VTB Bank, BSB Bank. All these companies and banks can potentially be involved in transfer pricing process.

However, not all transactions involved in transfer pricing are regulated by a tax agency. Since January 1, 2016 the following transactions have been recognized as controlled for transfer pricing purposes in the Republic of Belarus:

1. Transactions with real estate;
2. Foreign trade transactions;
3. Transactions with the residents of Republic of Belarus, who are free from income tax payment, use a simplified system of taxation, operate in a free economic zone or in the Park of high technologies.

Such transactions are controlled only if their annual profit exceeds 100 thousand roubles (52 thousand dollars) and their price deviates from the market level by more than 20 percent.

Each multinational corporation has its own pricing methodology. If a chosen methodology does not follow the OECD transfer pricing guidelines, risks of double taxation will appear.

Companies must analyze similar transactions (similar goods or services) of independent companies and compare their own level of prices with current market prices to avoid penalty charging.

If these requirements are observed, the OECD arm's length principle is realized. It means that the company runs business according to fairly comprehensive transfer pricing rules.

Nowadays transfer pricing in Belarus is strictly regulated by the Ministry of Taxes and Tax Collection. If tax authorities find out that the prices in controlled transactions do not correspond to the required standards, additional profit taxation is imposed. That is why it is so important today for all the parties involved in such activity to have a clear idea about transfer pricing, its rules and methods.

NEURAL NETWORKS IN BUSINESS

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Artificial neural networks (ANN) are parallel information processing systems consisting of a number of simple neurons, organized in layers and connected by links.

For a serious, thinking trader, neural networks are a next-generation tool with great potential, most suitable for solving problems that are complex, ill-defined, highly nonlinear, of many and different variables that other methods of technical analysis are unable to uncover.

Neural networks take a different approach to problem solving than that of conventional computers. Conventional computers follow a set of instructions in order to solve a problem. But computers would be so much more useful if they could do things that we don't exactly know how to do.

Unlike conventional computers, ANNs have the following advantages:

- 1) can learn things and make decisions in a humanlike way;
- 2) advanced enough to detect any complex relationships between inputs and outputs and the regularity of situation development is unknown;
- 3) treat super complicated problems, in which there are too many variables, using even incomplete and internally inconsistent input information.
- 4) the internal parallelism allows virtually limitless increase of the network's capacity

However, the difficulty in using neural networks is that they require correctly selected inputs to work efficiently.

What does a neural network consist of and how do they work? A typical neural network consists of from a few hundreds to even millions of artificial neurons. Input units are designed to receive various forms of information from the outside world that the network will attempt to learn about. Output units sit on the opposite side of the network and signal how it responds to the information it's learned. In between are one or more layers of hidden units, which, together, form the majority of the artificial brain. The connections between one unit and another are represented by a number called a weight, which can be either positive (if one unit excites another) or negative (if one unit suppresses another). The higher the weight, the more influence one unit has on another. This corresponds to the way actual brain cells trigger one another across tiny gaps called synapses.

Information flows through a neural network in two ways. When it's learning (being trained) or operating normally (after being trained), patterns of information are fed into the network via the input units, which trigger the layers of hidden units, and these in turn arrive at the output units. This common design is called a feedforward network.

In what way can they be applied in business?

Neural networks have been used increasingly in a variety of business applications. The major fields are financial operations, enterprise planning, trading, business analytics and product maintenance.

Banking & Finance: Neural networks have been applied successfully to problems like derivative securities pricing and hedging, futures price forecasting, exchange rate forecasting and stock performance.

Marketing: Neural networks are well-equipped to carry out segmenting customers according to their basic characteristics including demographics, socio-economic status, geographic location, purchase patterns, and attitude towards a product.

Operations management: Neural networks have been used successfully in operations management, particularly in the areas of scheduling and planning.

Like any trading strategy, neural networks are no quick-fix that will allow you to strike it rich by clicking a button or two. In fact, the correct understanding of neural networks and their purpose is vital for their successful application. Well-prepared input information on the targeted indicator is the most important component of your success with neural network. When applied correctly, neural networks can bring a profit on a regular basis.

PLASTIC CARD FRAUD

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As far back as the late 1800s, consumers and merchants exchanged goods through the concept of credit, using credit coins and charging plates as currency. It wasn't until about half a century ago that plastic payments as we know them today became a way of life.

Plastic payment cards provide a convenient and generally secure medium with which people conduct a wide variety of transactions. Their convenience, in conjunction with mass advertising, has seen a steady growth in both the volume and value of plastic card transactions over the past decade. However, with new commercial opportunities come new crime opportunities, and there appears to be a continual struggle between the financial industry, law enforcement and the offenders as technological advancements in security in the plastic card industry, are met with more innovative and adaptive advances to plastic card crime.

Plastic card fraud is defined as using plastic payment cards, such as ATM, debit, credit or store cards to take money without permission or prior knowledge from