

Content to 16 April 2015



Asia Pacific Tax Developments

Australia

Australia: Bringing Australia's GST law into the 21st century

The Treasurer announced last week that the Australian States have agreed, in principle, to amend the GST law to apply GST to supplies of 'intangibles' into Australia by non-residents.

KPMG in Australia provide comment on the announcement and the anticipated proposed legislation.

[More details](#)

China

China: Preparing for the implementation of the China-South Korea Free Trade Agreement (China-ROK FTA)

China and the Republic of Korea (ROK) initialled the text of the China-ROK Free Trade Agreement (FTA), which is scheduled to be signed within the first half of this year. Companies are suggested to closely monitor developments and policies relating to the FTA and review internal policies and documents that could be impacted.

[More details](#)

China: Call for amendment proposals to the Customs Import and Export Tariff of the People Republic of China (2016 Edition)

The amendment to the Customs Tariff in 2016 has been conveyed by the General Administration of Customs to all regional Customs offices. Some offices have issued announcements to the public in order to collect amendment proposals from enterprises. KPMG in China comments and encourages enterprises to come up with proposals to the amendment in particular areas.

[More details](#)

India

India: Amendments to SEBI delisting and takeover regulations

The Securities Exchange Board of India has notified amendments to regulations governing delisting, takeover and share buy-back regulations. The amendments to delisting regulations deal with applicability of regulation, price discovery, timelines and responsibility and accountability of the board of directors of the company, and shareholder participation in delisting. KPMG in India provides comment.

[More details](#)

India: Regulatory connect - April 2015

Regulatory Connect keeps our clients' informed regulatory developments and their implications on the way business is done in India. This edition includes:

- With the 'Make in India' campaign promoted by the Government, there has been a conscious effort to pave the way for a thorough Foreign Direct Investment ('FDI') Policy.
- The ministry of Corporate Affairs has removed some of the ambiguities in the Companies Act, 2013 so as to raise the confidence levels of foreign investors and Indian corporates.

[More details](#)

India: Depreciation allowed on gas cylinders owned, but leased out by the taxpayer

In a recent case, The Supreme Court has held that the taxpayer is entitled to depreciation once it was shown that the taxpayer was the owner of the gas cylinders, that they were purchased for use in the taxpayer's business, and they were temporarily leased out to others.

[More details](#)

India: Information in tax authorities' database not sufficient for determining additional income of the taxpayer

In a recent case, the Delhi Bench of the Income-tax Appellate Tribunal has held that information in the database of the tax authorities does not serve as a legally sustainable basis for adding amounts to the income of the taxpayer.

[More details](#)

Singapore

Singapore: Establishments of offshore funds

Effective 1 January 2015, GST may be claimed on re-imports of value-added goods. The new provision is limited, however, because it only applies to goods exported for value-added services and then re-imported into Singapore. Accordingly, if the goods are not exported from Singapore for value-added services, GST on the import is not claimable by the value-added service provider.

[More details](#)

OECD Update



OECD: Report of tax burden on wages (2010-2014)

The Organisation for Economic Co-operation and Development (OECD) has released a report concerning the taxation of wages and the tax burden on workers among the OECD member countries for the period 2010 to 2014.

Key Findings include:

- Taxes on wages have risen by about 1 percentage point for the average worker in OECD countries between 2010 and 2014 even though the majority of governments did not increase statutory income tax rates.
- The tax burden has increased in 23 OECD countries and fallen in 10 countries during this period, with most of the increased tax resulting from the fact wages were rising faster than tax allowances and credits. In 2014, only seven countries had higher statutory income tax rates for workers on average earnings than in 2010, and in six countries they were lower.
- In 2014, the tax burden on the average worker across the OECD increased by 0.1 of a percentage point to 36%, even though no OECD country increased its statutory income tax rates on the average worker. The tax burden increased in 23 of the 34 OECD countries, fell in nine and remained unchanged in two.
- Family payments played very little or no role in reducing the tax burden on workers with children in selected non-OECD economies.

[More details](#)

Calendar of Events

Date	Event	Location
16-17 April	U.S. Tax Training Hosted by TEI Asia Chapter & Sponsored by KPMG More details	Shanghai

Beyond Asia Pacific

[EU - Excise taxes on alcohol, tobacco and energy](#)

The European Commission today announced the release of a “revamped” website concerning excise taxes (duties) on alcohol, tobacco, and energy. The website includes information on current and proposed indirect tax changes.

[More details](#)

[UK – Updated guidance on diverted profits tax](#)

HM Revenue & Customs (HMRC) has issued guidance pursuant to enactment of the diverted profits tax, effective beginning 1 April 2015.

The HMRC guidance (31 March 2015) updates and replaces an earlier, December 2014 version of guidance concerning the diverted profits tax, but is still described as interim draft guidance which will be reviewed and updated.

[More details](#)

[USA – Tax Treaty Update: White House transmits Japan agreement to Senate](#)

The White House today announced that a new Protocol to amend the income tax treaty between the United States and Japan has been transmitted to the Senate.

[More details](#)

[Switzerland - Update on corporate tax reform](#)

The Swiss Federal Council in recent action has expressed support for corporate tax reform as well as announcing a decision to abandon a proposed individual (personal) capital gains tax and renouncing plans for a notional interest deduction.

[More details](#)

TaxNewsFlash by Region

For the latest tax developments from other regions see the following links:

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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