



## Significant International Tax Developments



### OECD – BEPS Special Edition

On 5 October 2015, the Organisation for Economic Co-operation and Development (OECD) issued a final package of reports in connection with its Action Plan to address Base Erosion and Profit Shifting (BEPS), as well as a plan for follow-up work and a timetable for implementation. The OECD's BEPS Action Plan, which was launched in July of 2013 and endorsed by the G20, includes 15 key areas for identifying and curbing aggressive tax planning and practices and modernizing the international tax system. The OECD delivered interim reports with respect to 7 of the 15 action items in September of 2014. Those 2014 reports have been consolidated with the remaining 2015 deliverables to produce a final set of recommendations for addressing BEPS.

Many countries have already adopted or are poised to adopt changes to their international tax systems based on the OECD recommendations. While implementation and timing will vary across borders, this final OECD release marks a crucial shift from the recommendation and consultation phase of BEPS to legislation and implementation. To help multinational organizations assess the potential impacts, tax professionals from KPMG member firms have analyzed the latest OECD recommendations and issued the action-by-action observations.

[More details](#)

### Australia: BEPS implications for multinational enterprises

There are implications for multinational enterprises with this week's release by the OECD of final recommendations for substantial international tax reform under the BEPS project.

The KPMG member firm in Australia has prepared a report outlining the implications.

[More details](#)

### Singapore: OECD-G20 Final BEPS Action Plan Deliverables - KPMG response

KPMG in Singapore provides a brief summary of the final deliverables for the OECD-G20 Action Plan released on 5 October 2015.

[More details](#)

## Webcast Series On BEPS

KPMG senior tax professionals will discuss the October BEPS action plan releases during a series of 60-minute webcasts, each running from 3-4 pm CET / 9-10 am EST:

- **14 October 2015:** A global view on BEPS: webcast to explore the latest updates and implications for tax leaders - [register here](#)
- **20-22 October 2015:** Financial services BEPS webcasts
  - ✓ Banking – [register here](#)
  - ✓ Insurance – [register here](#)
  - ✓ Asset Management – [register here](#)

# Asia Pacific Tax Developments

## Australia

### **Australia: Common Reporting Standard: proceed with caution**

The Australian Treasury has released exposure draft of legislation for Australia to implement the Organisation for Economic Cooperation and Development's Common Reporting Standard (CSR) for the automatic exchange of financial account information.

When implemented, CSR will require entities to report to the ATO the information about all foreign tax residents. Financial institutions in other countries will do the same and the various tax authorities will then start exchanging this information automatically.

[More details](#)

### **Australia: Trans-Pacific Partnership Trade Agreement negotiations conclude**

Monday, 5 October 2015 has seen the conclusion of 8 years negotiations of the Trans-Pacific Partnership (TPP) Trade Agreement. The KPMG member firm in Australia summarises some key elements of the TPP.

[More details](#)

## Cambodia

### **FATCA: IGA signed with Cambodia**

The Treasury Department on 30 September 2015 updated its FATCA webpage to report the signing of an intergovernmental agreement (IGA) between the United States and Cambodia.

[More details](#)

## China

### **China: Guide on VAT, indirect tax system**

KPMG in China has produced the 2015 edition of a guide providing an overview of the indirect tax systems in mainland China. The guide is intended to assist companies doing business in or with China to navigate the indirect tax system.

[More details](#)

## Indonesia

### **Indonesia: Debt-to-equity ratio is 4:1 for 2016**

Indonesia's thin capitalization rules regulate the deductibility of finance expenses for purposes of calculating the corporate income tax payable. Pursuant to the Ministry of Finance regulation No.

169/PMK.010/2015, the debt-to-equity ratio under the "thin cap" rules is set at 4:1 maximum for fiscal year 2016.

KPMG in Indonesia has produced a report explaining such "thin capitalization" rules.

[More details](#)

## India

### **India: Assessing Officer erred adding back transfer pricing adjustment to book profits under Section 115JB of the Income-tax Act**

The Delhi bench of the Income Tax Appellate Tribunal agreed with the taxpayer that certain comparable companies selected by the Transfer Pricing Officer were to be excluded from the analysis, and further held that the Assessing Officer erred in adding back a transfer pricing adjustment to book profits under section 115JB of the Income-tax Act, 1961.

[More details](#)

## Philippines

### **Philippines: Text of official revenue guidance items**

KPMG in the Philippines has collected official guidance items issued by the Department of Finance and Bureau of Internal Revenue in recent releases.

[More details](#)

## Singapore

### **Singapore: Customs control list; dual-use and strategic goods**

The Strategic Goods (Control) Order 2015 (SGCO 2015), published in the official gazette on 4 September 2015, brings Singapore's strategic goods control list up to date with the 2014 Wassenaar Arrangement Munitions List and the 2014 European Union's List of Dual-Use Items (EUDL). The EUDL contains dual-use items controlled by the four multilateral export control regimes—the Wassenaar Arrangement, the Missile Control Technology Regime, the Australia Group, and the Nuclear Suppliers Group.

The SGCO 2015 incorporates certain revisions such as new entries, deletions, re-categorisation, as well as editorial changes for consistency and clarity of controls.

[More details](#)

## Calendar of Events

Date	Event	Location
14 October 2015	A global view on BEPS: webcast to explore the latest updates and implications for tax leaders <a href="#">Register here</a>	
20-22 October 2015	Financial services BEPS webcasts <ul style="list-style-type: none"> <li>▪ Banking – <a href="#">register here</a></li> <li>▪ Insurance – <a href="#">register here</a></li> <li>▪ Asset Management – <a href="#">register here</a></li> </ul>	
23 October 2015	Malaysian Tax Budget 2016	Malaysia
26-28 October 2015	2015 KPMG EMA Tax Summit <a href="#">More details</a>	Lisbon, Portugal
28 October 2015	KPMG Malaysia Tax Summit 2015 For more details email <a href="#">Karen Lee</a>	Malaysia
9 December 2015	Managing Employer's Tax Obligations For more details email <a href="#">Carmen Yong</a>	Petaling Jaya, Malaysia

## Beyond Asia Pacific

### EU: Automatic exchange of information, cross-border tax rulings and APAs

EU finance ministers today agreed to introduce provisions for the automatic exchange of information on cross-border tax rulings—the latest development concerning the European Commission's initiative to address tax avoidance and harmful tax competition.

[More details](#)

### UK: HMRC position on treatment of US LLC

HM Revenue & Customs published a brief, setting out the tax agency's position following the UK Supreme Court's decision in a case concerning U.S. limited liability companies (LLCs).

[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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