



Asia Pacific Tax Developments

Australia

Australia: New Australia/Germany tax treaty in a BEPS environment

Representatives of the governments of Australia and Germany on 12 November 2015 signed a revised income tax treaty. The treaty, once it is ratified by both countries and enters into force, would replace the treaty that was signed in 1972.

This is the first tax treaty Australia has signed that comprehensively incorporates the proposals in the OECD base erosion and profit shifting (BEPS) final recommendations.

[More details](#)

Australia: Survey of R&D Tax Incentive registrants

As part of the Tax White Paper process, the Australian Government is currently conducting a Review of the R&D Tax Incentive. A key source of information for the Review, AusIndustry has revealed, will be a survey of the program registrants.

KPMG in Australia discusses the Government's review and survey program.

[More details](#)

Australia: Use of technology to unlock value in large data sets

Businesses are generating increasing volumes of transactional and financial data, but is this data fit for the purposes of the modern tax function? That is, does it allow them to proactively manage tax risk and compliance, and how do they unlock the value that may be hidden in the data?

KPMG in Australia discusses data analytics development into tax fixed asset registers and using technology to unlock value in large data sets. [More details](#)

China

China: Update of customs developments

KPMG in China has prepared a report that briefly summarizes the trade and customs developments for the months of September and October 2015.

[More details](#)

India

India: A taxpayer is entitled to foreign tax credit against the MAT liability

The Bangalore Bench of the Income-tax Appellate Tribunal held that credit for the tax paid in a foreign country would be available against the tax liability under the Minimum Alternate Tax provisions of the Income-tax Act, 1961.

[More details](#)

India: Facility of an upfront provisional refund to exporters of services introduced

Exporters of services are entitled to claim a refund of the unutilised CENVAT credit of service tax/duties paid on the procurement of goods and services and that which is used for the export of output services under Rule 5 of the CENVAT Credit Rules, 2004.

Considering the representations received from trade and industry, the Central Board of Excise and Customs has issued Circular No. 187/6/2015-Service Tax dated 10 November 2015 declaring a scheme for the speedy disbursement of pending refund claims of exporters of services.

[More details](#)

India: FAQ on Swachh Bharat Cess issued by the CBEC

After the introduction of a Swachh Bharat Cess (SBC) on all taxable services at the rate of 0.5 per cent on the value of taxable services from 15 November, the Central Board of Excise and Customs (CBEC) has issued a list of frequently asked questions clarifying various aspects relating to the levy and collection of SBC.

[More details](#)

Indonesia

Indonesia: Fixed asset revaluation, tax incentive

A regulation issued by Indonesia's Ministry of Finance provides a tax incentive—the "fixed asset revaluation" tax incentive—that is available until 31 December 2016.

The regulation (No. PMK-191/2015) was issued 15 October 2015, and allows individuals and companies residing in Indonesia, including certain permanent establishments, to apply for the new fixed asset revaluation tax incentive. The increase in fixed assets resulting from the revaluation (i.e., the difference between the new asset value and the tax book value before revaluation) is subject to reduced rates of "final income tax" ranging from:

- 3% for applications filed before 31 December 2015
- 4% for applications filed between 1 January 2016 and 30 June 2016
- 6% for applications filed between 1 July 2016 and 31 December 2016.

[More details](#)

Malaysia

Malaysia: Highlights of Finance Bill 2015

Tax provisions in the Finance Bill 2015 are provided in an outline prepared by the KPMG member firm in Malaysia. Among the proposals are measures relating to:

- Goods and services tax (GST)
- Reinvestment allowance for manufacturing companies
- Limitation relating to the industrial building allowance claim
- Rules relating to the depreciation treatment of replacing an asset or part of an asset
- The tax deduction of an interest expense

[More details](#)

New Zealand

New Zealand: Employee share scheme tax avoidance alert

New Zealand's Inland Revenue released a "tax avoidance revenue" alert concerning employee share schemes. Because employee share scheme benefits are taxed when the shares are acquired, the Inland Revenue's concern is arrangements that fix an early acquisition date so that subsequent increases in the shares' value are not taxable.

[More details](#)

New Zealand: GST on remote services; residential land withholding tax

A tax bill introduced 16 November 2015 would impose goods and services tax (GST) on "remote services" and would implement the government's proposal for a residential land withholding tax. Both of these proposals were the subject of public consultation earlier this year, and the bill's provisions generally do not vary dramatically from the proposals in the consultation.

[More details](#)

Significant International Tax Developments



OECD: G20 leaders endorse BEPS, automatic exchange of information projects

Leaders of the world's 20 largest economies endorsed a plan to overhaul global standards, in an effort to counter tax evasion.

[More details](#)

Calendar of Events

Date	Event	Location
24 November 2015	KPMG Goods and Services Tax (GST) Seminar: Zero-rating of Services and Difference Between Reimbursement and Disbursement More details	Singapore
24 November - 16 December 2015	2015 KPMG China Annual Tax Update Conference More details	Multiple Location
2-3 December 2015	U.S. Tax Training Hosted by TEI Asia Chapter & Sponsored by KPMG More details	Beijing, China
8 December 2015	Tax Compliance and Administration Measures on Employer's Tax Obligations For more details email Carmen Yong	Petaling Jaya, Malaysia
11 December 2015	KPMG Financial Reporting Seminar: Navigating through the changing accounting and regulatory landscape More details	Singapore
8 January 2016	KPMG Seminar Series: Remuneration Reporting in Forms IR8A/IR21 Workshop 2016 More details	Singapore

Beyond Asia Pacific

France: Country-by-country reporting added to Finance Bill, 2016

A new article requiring "country-by-country reporting" by the largest multinational enterprises was added to the Finance Bill for 2016. This country-by-country reporting requirement generally reflects the OECD base erosion and profit shifting (BEPS) recommendations, and was added by amendment to the Finance Bill for 2016.

[More details](#)

Nigeria: Implications of BEPS proposals

Nigeria's tax authority—the Federal Inland Revenue Service—has incorporated into its tax audit procedures certain of the recommendations included in the OECD's base erosion and profit shifting (BEPS) project.

[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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