



Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | Content to 25 August 2016



Asia Pacific Tax Developments

Australia

Australia: Australia steers a middle course through Brexit fog

Prior to the Brexit referendum world economic growth was subdued, and now it looks like 2016 will record the lowest level of growth since the GFC.

KPMG Australia provides a rundown of the global economic outlook, in the aftermath of the Brexit vote.

[More details](#)

Australia: Commissioners case for Olympic royalty

The Commissioner of Taxation has filed a special leave application to the High Court of Australia, appealing the decision of the Full Federal Court in *Commissioner of Taxation v Seven Network Limited* [2016] FCAFC 70 handed down earlier this year.

KPMG Australia explains the issues in the Commissioner v Seven Network case, regarding the definition of royalties for tax purposes.

[More details](#)

Australia: KPMG discussion paper, Tax 2025—what lies ahead for Australian tax system

Tax 2025, KPMG's discussion paper, sets the scene for what lies ahead, and how it will impact the Australian tax system.

The paper takes an optimistic view about the future and humanity, despite raising awareness around many issues and changes that Australia needs to prepare for.

Thinking about the future and new paradigms is itself beneficial. The overall goal of this discussion paper is to envisage what the practice of tax will be like in 2025.

[More details](#)

Australia: Managing global mobility – placing employees in New Zealand

In today's inter-connected business world, it is increasingly important to leverage talent in order to optimise cross-border business opportunities. International assignments, transfers and secondments are ever more common place.

KPMG in New Zealand explores the key tax issues for Australian employers with placing their employees in New Zealand (NZ).

[More details](#)

China

China: China Tax weekly update – Issue 32

KPMG China has issued a newsletter that provides various tax updates on:

- Shenzhen-Hong Kong Stock Connect approved
- Further push forward the animation industry(Cai Guan Shui [2016] No. 36)
- Tax incentives for student apartments & canteens continued(Cai Shui [2016] No. 82)
- Further VAT implementation rules
- SAT “names and shames” significant tax fraud cases
- Tax officials forbidden from intervening in tax intermediary’s operations(Shui Zong Han [2016] No. 389)
- Local governments to further regulate tax collection
- Beijing – 2016 high-tech enterprises recognition(Jing Ke Fa [2016] No. 465) launched
- Shanghai - enhancement of contemporaneous and following up supervision for Shanghai pilot FTZ and Pudong new area(Hu Fu Ban Fa [2016] No. 30)

[More details](#)

Indonesia

Indonesia: Guidance on accounting for governmental levies, including taxes

Changes to the Indonesian Financial Accounting Standards (SAK) are effective for financial years beginning on or after 1 January 2016.

For every governmental levy, including income taxes, businesses need to know when to recognize a liability and for which period the corresponding expense is to be recorded.

[More details](#)

India

India: Software development services not taxable under U.S. treaty

The Ahmedabad Tribunal held that software development services that required certain intellectual skill and that were dependent on the individual characteristics of the person pursuing software development, qualify as professional services.

[More details](#)

Myanmar

Myanmar: Process for obtaining central bank approval for offshore loans

The Central Bank of Myanmar (“CBM”) has recently posted an undated notification in relation to the processes for obtaining the CBM’s approval for offshore loans / loans from abroad.

The notification sets out the documentation that needs to be submitted as part of the application and the areas which will be scrutinized by the CBM as part of the approval process submitted via either the Myanmar Investment Commission or directly to the CBM.

[More details](#)

Singapore

Singapore: India Tax update

KPMG in Singapore provides a summary of key tax updates in India on:

- Draft rules for determination of distributed income with respect to buy-back of shares of an Indian Company
- Proposal to amend the India-Cyprus tax treaty
- Rules for computation of fair market value and reporting requirements in relation to indirect transfer provisions
- Rules with respect to non-furnishing of PAN by non-residents and furnishing of alternative documents

[More details](#)

Calendar of Events

Date	Event	Location
31 August 2016	Doing business in India - Recent tax game changers More details	InterContinental Hotel, Singapore
15 -16 September 2016	KPMG Goods and Services Tax (GST) Seminar 2016 More details	Orchard Hotel, Singapore
23 September 2016	US Real Estate Tax Seminar More details	InterContinental Hotel, 80 Middle Road, Singapore 188966
21 October 2016	2017 Budget Announcement Contact person: Karen Lee	Parliament House, Kuala Lumpur, Malaysia
26 October 2016	KPMG in Malaysia Tax Summit 2016 Contact person: Karen Lee	One World Hotel, Petaling Jaya, Malaysia

Significant International Tax Developments



OECD: Comments on proposed amendments, OECD Transfer Pricing Guidelines

The Organisation for Economic Cooperation and Development (OECD) published the public comments received on the conforming amendments to Chapter IX of the OECD Transfer Pricing Guidelines.

[More details](#)

OECD: Discussion draft, branch mismatch structures under BEPS Action 2

The OECD released a discussion draft concerning branch mismatch structures under Action 2 (Neutralising the effects of hybrid mismatch arrangements) of the base erosion and profit shifting (BEPS) project.

[More details](#)

Beyond Asia Pacific

Turkey: Tax amnesty, repatriation and tax account adjustment provisions

Legislation, signed by the president and published in the official gazette, provides an opportunity for companies in Turkey to close their accounts against potential tax audits by making voluntary tax base increases.

[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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