



# Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | Content to 30 August 2017



## Asia Pacific Tax Developments

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### Australia

#### **Australia: New 'Similar Business Test' for Losses: Partnering with Data Analytics**

With the introduction of the new 'similar business test' in Treasury Laws Amendment (2017 Enterprise Incentive No.1) Bill 2017, it is time to reconsider the traditional approach to applying the tax loss recoupment rules through an innovation lens. KPMG Australia has devised an automated technology solution to optimise the identification of business factors which can support the 'similar business test'.

[More details](#)

#### **Australia: Senate Inquiry provides update on anti-avoidance progress**

KPMG Australia discusses the recent public hearing of the Senate Inquiry into Corporate Tax Avoidance. It is noted that the Senate Committee's questioning reflects the Parliament's interest in the impact and enforcement of Australia's new multinational anti-avoidance law and transfer pricing rules, as well as the newly-introduced Diverted Profits Tax.

[More details](#)

#### **Australia: Updated AEOI guidance for FATCA and CRS**

The Australian Taxation Office has updated guidance on the automatic exchange of information related to the FATCA and common reporting standard regimes. The updated guidance contains revised content on when a trust may be an Australian financial institution and an updated list of "participating jurisdictions," to include Belize, effective from 7 August 2017

[More details](#)

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## China

### China: China Tax Weekly Update - Issue 32

The following matters are covered in this issue:

- OECD developing country tax toolkit— offshore transfers
- VAT exemption for bonded futures delivery
- Vehicle purchase tax to be put on statutory basis
- China tightens regulation of online payment services

[More details](#)

### China: China to boost foreign direct investment - Dividend WHT deferral for reinvestment

On 28 July 2017, an executive meeting of the State Council outlined a series of measures to further boost foreign direct investment in China. One of the new State Council measures temporarily permits the deferral of dividend withholding tax, otherwise levied on the distributed profits of a foreign invested enterprise, where the relevant amounts are reinvested in 'encouraged' projects. In this Alert we consider relevant aspects of the new relief for foreign investors.

[More details](#)

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## Taiwan

### Taiwan: Country-by-country reporting requirements in draft transfer pricing documentation rules

The Ministry of Finance issued draft amendments to the regulations under the transfer pricing rules—specifically to provide for the three-tier transfer pricing documentation requirements pursuant to the OECD's base erosion and profit shifting (BEPS) Action 13 for country-by-country reporting.

[More details](#)

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## Vietnam

### Vietnam: Guidance on financial audits of foreign-invested enterprises

The Ministry of Finance has issued a guidance on coordinating the audit of corporate finance mechanisms and policies of foreign-invested enterprises.

[More details](#)

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## Calendar of Events

| Date                   | Event  | Location  |
|------------------------|--|---|
| 11 September 2017      | Belt and Road Summit<br>Contact person: <a href="#">Anita Chau</a><br><a href="#">More details</a>   | Hall 5F&G,<br>Hong Kong<br>Convention and<br>Exhibition<br>Centre   |
| 14 September 2017      | Understanding Withholding Tax[Re-run]<br>Contact person: <a href="#">Nora Kassim</a> / <a href="#">Haleena Azman</a><br><a href="#">More details</a> | One World<br>Hotel, Petaling<br>Jaya, Selangor                      |
| 26 – 27 September 2017 | KPMG Goods and Services Tax (GST) Seminar 2017<br>Contact person: <a href="#">Shirley Tay</a><br><a href="#">More details</a>                        | Orchard Hotel,<br>442 Orchard<br>Rd, Singapore<br>238879            |
| 9 – 20 November 2017   | Tax and Business Summit 2017<br>Contact person: <a href="#">Ms Karen Lee</a><br><a href="#">More details</a>   | Petaling Jaya,<br>Kota Kinabalu,<br>Johor, Kuching,<br>Ipoh, Penang |

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## Beyond Asia Pacific

### Brazil: Ratification update; income tax treaty with Russia

The Brazil – Russia Double Tax Treaty became effective in Brazil as of August 1, 2017, date when the Presidential Decree 9,115/2017, enacting it, was published in the Official Gazette.

[More details](#)

### US: Foreign insurance companies; effectively connected net investment income (2016)

Rev. Proc. 2017-44 provides the domestic asset/liability percentages and domestic investment yields needed by foreign life insurance companies and by foreign property and liability insurance companies to compute their minimum effectively connected net investment income under section 842(b) for tax years beginning after December 31, 2015.

[More details](#)

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### TaxNewsFlash by Region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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