



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | Content to 08 March 2018



Asia Pacific Tax Developments

Australia

[Australia: GST on low value imported goods – only simple in theory](#)

From 1 July 2018, Goods and Services Tax (GST) will generally apply to sales of low value imported goods into Australia. Businesses selling goods into Australia will need to navigate a two tier system whereby low value goods will be taxed at sale and high value goods or consignments over AUD \$1,000 will be taxed at the border. Practical complexities to be considered includes:

- Identifying ship from
- Classifying goods and customers
- Returns and refunds
- Pricing at checkout
- System upgrades

[More details](#)

[Australia: United States' IRS Notice 2018-20: Australia added to "no TIN list"](#)

The IRS released an advance version of Notice 2018-20 announcing that the IRS is expanding the list of jurisdictions that do not issue taxpayer identification numbers (TIN) to their residents to include Australia.

[More details](#)

[Australia: Reminder to engage with the ATO following Tech Mahindra case](#)

For those taxpayers identified by the Australian Taxation Office (ATO) as being impacted by the Full Federal Court's decision in Tech Mahindra Limited v Commissioner of Taxation, the time is closing in for engagement with the ATO and benefiting from the considerable concessions on offer. The taxpayers identified as recipients of the ATO letters are those considered to potentially be in comparable circumstances as Tech Mahindra, supplying Australian customers with 'technical services' which constitute a royalty. [More details](#)

Australia: Tax Cuts and Jobs Act: For better or for worse?

To understand if the positive impact of H.R.1 also extends to globally mobile US employees it is important to understand what key measures will impact US individual income, KPMG Australia provides an outline of the six key measures below:

- Lower individual income tax rates
- Standard deductions singular and personal exemptions
- Personal exemptions
- Deductions for state and local taxes
- Moving expenses
- Miscellaneous deductions

[More details](#)

Australia: US tax reform – Rethinking executive remuneration

Effective from 1 January 2018, reforms of the United States (US) tax system under the Tax Cuts and Jobs Act will impact executive remuneration. This reform will impact both US domestic companies as well as foreign companies operating in the US. A few key considerations and suggested action points are below:

- Limitation on corporate tax deduction for excessive remuneration
- Timing of corporate tax change for fiscal year-end companies
- Impact to metrics of FY18 performance plans

[More details](#)

China

China: China clarifies beneficial ownership tax treaty requirements

China's State Administration of Taxation issued guidance (Announcement 9) to clarify the "beneficial ownership" requirements with respect to dividends, interest, and royalty under certain articles of income tax treaties for the avoidance of double taxation. The guidance is effective from April 2018.

[More details](#)

Hong Kong SAR

Hong Kong: Hong Kong tightening up on corporate beneficial ownership – Companies (Amendment) Ordinance 201

To combat money laundering and terrorist financing, Hong Kong is enhancing the transparency of corporate beneficial ownership. Effective from 1 March 2018, all companies incorporated in Hong Kong (except listed companies) are required to obtain and maintain up-to-date beneficial ownership information through a Significant Controllers Register.

[More details](#)

Malaysia

Malaysia: Updated form for cross-border transactions, transfer pricing risk assessments

The Malaysia Inland Revenue Board has updated the form that is used by the tax authority to collect information from certain taxpayers relating to their cross-border transactions, for purposes of conducting a transfer pricing risk assessment.

[More details](#)

Mauritius

Mauritius: Country-by-country reporting regulations, effective July 2018

Regulators implemented the country-by-country (CbC) reporting requirements in Mauritius, effective for accounting years beginning on or after 1 July 2018.

[More details](#)

New Zealand

New Zealand: Update on PAYE, employee share reporting bill

Legislation that would revise the rules for “pay as you earn” (PAYE) and certain investment income information reporting has advanced. The bill would implement new rules for reporting PAYE and investment income information to the Inland Revenue Department. It also includes new measures for determining the taxation of employee share scheme benefits.

[More details](#)

Philippines

Philippines: Special InTAX: Let's Get on the TRAIN (Tax Alert 11)

Philippine's Department of Finance issued Income Tax Revenue Regulations (RR) No. 08-2018, on 25 January 2018, otherwise known as Tax Reform for Acceleration and Inclusion (TRAIN) Act. Among other measures, the salient points of the RR are highlighted as follows:

- Purely compensation income earners
- Self-employed individuals and/or professionals
- Compensation income of mixed income earners
- Individuals' income from winnings, interest income, and capital gains in stock exchange
- Individual income tax rates for MNCs employees
- Fringe benefits tax imposed on employees with managerial or supervisory roles
- Change of deadlines for filing declaration of estimated income of every individual; and
- Change of VAT status

[More details](#)

Singapore

Singapore: FATCA return filing begins 16 April 2018

The Inland Revenue Authority of Singapore (IRAS) announced the date for filing the FATCA return for the 2017 reporting year will begin 16 April 2018 and ends 31 May 2018.

[More details](#)

Singapore: CRS registration due 31 March 2018

The IRAS announced that the common reporting standard (CRS) registration deadline for all reporting Singapore financial institutions (as of 31 December 2017) is 31 March 2018.

[More details](#)

Singapore: Singapore Economic Strategy and Investment Forecast

The Singapore Economic Development Board recently released the inbound investment commitment figures for 2017, the investment outlook for 2018, as well as the focus areas for its economic strategy. In this issue, KPMG in Singapore highlights the key messages in relation to the investment commitments and outlook, the economic strategy and comments on the opportunities and implications for businesses.

[More details](#)

Calendar of Events

Date	Event	Location
13 March 2018	A Practical Guide to Corporate Income Tax and Deferred Tax Contact person: Nora Kassim / Haleena Azman More details	One World Hotel, Petaling Jaya, Malaysia
13 March 2018	Key Trends and Tax Compliance Updates in Global Mobility Contact person: KPMG China Market Services (Hong Kong) More details	KPMG Office, 23rd Floor, Hysan Place, 500 Hennessy Road, Causeway Bay, Hong Kong
13 & 14 March 2018	KPMG Goods & Services Tax (GST) Seminar 2018 Contact person: Sharon Ting More details	InterContinental Hotel Singapore, 80 Middle Road Singapore 188966

Beyond Asia Pacific

EU: European Parliament addresses “blacklist” of non-cooperative countries, mandatory disclosure, C(C)CTB

At its plenary sittings on February 28 and March 1, 2018, the European Parliament discussed a number of tax proposals and voted in favour of a report on the European Commission's proposal for mandatory disclosure rules for intermediaries. The EU Parliament also discussed the EU Blacklist and

announced the creation of a new committee (TAXE 3) which will focus on financial crimes, tax evasion and tax avoidance.

[More details](#)

UK: Revised HMRC Guidance on CIR

HMRC has published final guidance regarding the new corporate interest restriction (CIR), including confirmation of how returns, elections and other documents are to be filed. This will be of immediate relevance to groups for whom 31 March 2018 is the deadline to appoint a CIR 'reporting company' and to make certain CIR elections.

[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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