



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[BEPS Multilateral instrument \(MLI\) ratified](#)

The multilateral instrument ('MLI') - Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (BEPS) - was ratified by Australia and will enter into force on 1 January 2019.

[Geopolitics and Tax - Why it matters?](#)

KPMG Australia introduces KPMG's new Geopolitics and Tax Unit. Geopolitics is the study of the impact of geography on politics. It refers to the impact of human geography: people, culture, communities, religion, access to resources, demography, and political systems are all critical components. Change in geopolitical circumstances impact tax systems, its functions and operations currently as well as in future.

[Goods and services tax \('GST'\) reform announced](#)

The Prime Minister announced plans for legislation GST. Under the to-be-proposed legislation, the government would:

- Introduce a new Horizontal Fiscal Equalisation benchmark
- Introduce a permanent in-system GST relativity floor
- Provide transitional assistance



[Discussion Paper, taxing the digital economy](#)

A discussion paper was released by the Australian Treasury to consider the taxation of the digital economy and to consider whether and how the corporate tax rules might need to evolve to address digitalized business models

China

[United States - Forged steel fittings imported from China, Italy](#)

The U.S. Commerce Department announced its findings of affirmative final determinations in antidumping duty investigations of imports of forged steel fittings from China and Italy and countervailing duty investigation of imports of forged steel fittings from China.

Hong Kong

[Switzerland AEOI — updated Q&As; agreements with Hong Kong, Singapore](#)

Switzerland's federal tax administration issued an updated version of the automatic exchange of information (AEOI) "questions and answers" thus providing additional explanations about certain matters related to AEOI implementation. The Swiss parliament approved AEOI-related agreements with Hong Kong and Singapore, both being effective from 1 January 2018.

Japan

[Multilateral Instrument](#)

The Japanese government deposited its instrument of acceptance for the MLI with the OECD. The MLI will enter into force 1 January 2019 and has implications for existing income tax treaties.

Thailand

[Thailand's transfer pricing law in force from 1 January 2019](#)

The new transfer pricing law was approved by the National Legislative Assembly ("NLA") and will be effective for accounting periods starting on or from 1 January 2019. The draft TP law submitted for approval and now formally approved by the NLA contains some important changes in relation to the previous version of the proposed law.



Significant International Tax Developments

[OECD: Multilateral instrument ratification by Australia, France, Japan, Slovak Republic](#)

The Organisation for Economic Cooperation and Development ('OECD') has announced that the governments of Australia, France, Japan, and the Slovak Republic have deposited their instruments of ratification or acceptance of the MLI under the base erosion and profit shifting project.



Thought Leadership

[Post-BEPS issues with cost sharing arrangements in transfer pricing](#)

With the OECD updating the rules on cost sharing arrangements through its BEPS project, what are the changes that many organisations may need to make in order to remain compliant?



Calendar of events

Date	Event	Location
23 October 2018	<u>US-China Trade War - Tariff Risk Mitigation Strategy</u> Contacts: <u>KPMG China Market Services</u>	8th Floor, Prince's Building, 10 Chater Road, Central, Hong Kong
8 November 2018	<u>Malaysia - Tax and Business Summit 2018</u> Contacts: <u>Ms. Sharon Leong Peck Sim</u> / <u>Ms. Fah Siew Peng</u> / <u>Ms. Esther Teh Mei Sum</u>	One World Hotel First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Malaysia.
15 & 16 November 2018	<u>General Principles of GST & Reverse Charge Mechanism</u> Contacts: <u>Sharon Ting</u>	Orchard Hotel Singapore, 442 Orchard Road, Singapore 238879



Beyond Asia Pacific

[Canada: Tentative trade deal with United States and Mexico](#)

Canada has reached a tentative trade deal with the United States and Mexico which will be known as United States-Mexico-Canada Agreement (USMCA), and is reported to take effect in late 2019 or 2020. The agreement follows extensive negotiations to revise the North American Free Trade Agreement (NAFTA).

[Switzerland: Update on tax reform legislation](#)

Legislation (known in English as the “Federal Act on Tax Reform and AHV Financing”) was accepted by Parliament on 28 September 2018. This legislation is subject to an optional referendum with a key date in mid-January 2019. If a referendum is called, a public vote could be held on 19 May 2019.



TaxNewsFlash by region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



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