

KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

New South Wales to index stamp duty brackets

The New South Wales ('NSW') government announced plans to index the stamp tax (duty) brackets to the consumer price index (CPI) for residential property transactions. The reforms to NSW stamp tax (duty) are to be effective for transactions on or after 1 July 2019.

TPP-11 to come online in 2018

KPMG Australia explores the benefits of the Trans Pacific Partnership and what international traders should expect from TPP-11.

Why tax can't afford to not get 'buy-in'

KPMG Australia explains why tax and finance functions need to ensure they have buy-in and engagement with the broader business.

Hong Kong

Amendment to CRS rules

The Inland Revenue Department announced a legislative amendment that would modify the automatic exchange of financial information ('AEOI') regime in an effort to align Hong Kong's rules with Organisation for Economic Cooperation and Development ('OECD') requirements

Hong Kong's New R&D Regime Takes Off

The new rules classify R&D expenditure into two broad categories (Type A and Type B) which are deductible subject to meeting certain conditions.

India

FTS is not taxable in India where services are for the purposes of making or earning any income from any source outside India

The High Court observed that FTS was paid by the taxpayer to a foreign company for the purpose of making or earning income from a source outside India. The source of income namely the taxpayer's customers were foreign-based companies. Therefore, even though services were in the nature of technical services and were covered within the exclusion under the Income tax act, tax was not required to be deducted on payment of such FTS.

GST notification updates on deduction of tax at source [TDS]

Section 51 of the CGST Act requires the deduction of tax at source at two per cent [1 per cent CGST + 1 per cent SGST] of the value of supply (excluding GST), where the value of such supply under a contract exceeds INR 250,000 by specified entities. The said provision has been amended to exclude the applicability of provision of TDS for supplies made between public sector undertakings, whether or not a distinct person

India signs its first APA renewal

The first ever renewal of a unilateral APA was signed on 31 October 2018. This instance demonstrates continued faith of the taxpayers in the APA programme as well as government's commitment to maintain APA as the flagship programme for a Successful Transfer Pricing dispute resolution.

The Bombay High Court decision on the application for stay of demand

The Bombay High Court observed that once the appeal has been filed, and it is pending, then the taxpayer should have been given an opportunity to seek a stay of demand during the pendency of appeal. The AO should also have held the demand in abeyance as prayed by the tax payer.

Indonesia

Indonesia's Global Mobility Bulletin November 2018

This month's Global Mobility Bulletin highlights the new final income tax rate for MSMEs and the Indonesian Tax Authorities' efforts to enhance taxpayer monitoring as follow up to the Tax Amnesty program.

Malaysia

Malaysian election prompts tax policy rethink

KPMG Australia discuss Malaysia's approach to tax policies following the election of former Prime Minister Mahathir Mohamed in May and the abolition of the unpopular goods and services tax (GST).

Philippines

Special InTAX: Let's Get on the TRAIN (Tax Alert 24)

The Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 93 – 2018, dated 31 October 2018, informing the availability of Offline Electronic Bureau of Internal Revenue Forms (eBIRForms) Package Version 7.2. The offline eBIRForms is already available in the BIR website (www.bir.gov.ph) and (www.knowyourtaxes.ph).

Taiwan

Treatment of certain post-2019 accounts, related entities under CRS

The tax authority of Taiwan announced that new common reporting standard ('CRS') accounts opened after 1 January 2019 will be considered to be "pre-existing accounts" if certain conditions are met.

Thailand

Proposed amendments to the labor protection law were approved in principle

The Draft Amendment proposes several amendments on the rights of employees in order to be in line with current situation and international standards.



Calendar of events

Date	Event	Location
12 November 2018	KPMG Financial Services Tax Briefing More info / Contact: Esther Liew	InterContinental Singapore, 80 Middle Road, Singapore 188966
15 & 16 November 2018	General Principles of GST & Reverse Charge Mechanism Contacts: Sharon Ting	Orchard Hotel Singapore, 442 Orchard Road, Singapore 238879
27 November 2018	2018 KPMG China Annual Tax Update Conference Contacts: KPMG China Market Services	Beijing, China



Beyond Asia Pacific

[EU: Update on digital services tax; ECOFIN negotiations for sunset clause and limited scope](#)

ECOFIN Council discussed the Digital Services Tax ('DST') and the progress achieved so far in the negotiations, in particular with respect to the introduction of a sunset clause and the limitation of the scope of the DST. The Council also decided to further amend the EU blacklist of non-cooperative jurisdictions by removing Namibia from the list.

[United States: KPMG report: U.S. congressional elections and tax policy; preliminary observations](#)

This report provides preliminary observations as to how mid-term elections could affect federal tax legislation in the next Congress, and observations regarding what might be addressed during the short "lame duck" session before the current Congress adjourns.



TaxNewsFlash by region

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

[**Africa**](#)[**Americas**](#)[**Europe**](#)[**United States**](#)



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