



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 06 December 2018



Asia Pacific Tax Developments

Australia

[Mutual Entities bill – tranche 2](#)

KPMG Australia discuss draft legislation released by the Federal Government – the second tranche to follow the Hammond report on ‘Reforms for Cooperatives, Mutuals and Member-owned Firms’.

[Non-resident withholding tax draft guidance](#)

KPMG Australia explore the draft ruling consolidation TR 2005/5DC which seeks to clarify the definition of a ‘financial institution’ under the treaty interest withholding tax exemption for non-resident lenders.

[Reportable Tax Position deadline looms](#)

Companies that have received a notification by the Australian Taxation Office (‘ATO’) are required, by 15 January 2019, to lodge a RTP schedule with their tax return for the year ended 30 June 2018.

[Transfer pricing ATO internal distributor risk guidance, initial impressions](#)

KPMG Australia discuss the new guidance released by ATO outlining its compliance approach to ‘inbound’ Australian Distributors.

[Transfer pricing issues related to inbound distribution arrangements](#)

The ATO posted a draft “practical compliance guideline” that outlines ATO’s approach to transfer pricing outcomes associated with certain activities of inbound distributions.

[Employees' Provident Fund Organisation stipulates the procedure for extension of Certificate of Coverage beyond the normal period covered in respective Social Security Agreements](#)

Recently, Employees' Provident fund Organization has issued a circular in regard to providing a standard procedure for extension of certificate of coverage beyond the period stipulated in respective Social Security Agreements and issues related to cancellation/ amendment/ extension of COC.

[Government of India issues detailed visa guidelines](#)

With an objective to simplify the Indian visa application and compliance, the Government of India has issued additional visa guidelines.

[India Tax Update](#)

This issue provide a summary of key tax and regulatory updates in India.

[Mauritius Revenue Authority issues POEM guidelines laying down twin conditions for determining the tax residency status of a company in Mauritius](#)

With introduction of POEM as a criteria to determine tax residency, clarity was needed on whether corporations should consider the Organization for Economic Co-operation and Development ('OECD') definition of POEM or where a corporation which satisfies the requirements as set out under Section 71(1)(3) of the Financial Services, 2007 will be considered for the Mauritius tax purposes. To clarify this aspect, the Mauritius Revenue Authority has now come out with POEM guidelines.



Significant International Tax Developments

[OECD: Guidance for the development of synthesised texts to provide clarity on the impact of the Multilateral Instruments](#)

The OECD has recently released new Guidance for the development of 'Synthesised texts' to facilitate the interpretation and application of tax treaties modified by the Multilateral Convention to implement tax treaty measures to prevent Base Erosion and Profit Shifting.

[OECD: Qatar signs BEPS multilateral instrument](#)

The OECD announced that Qatar has signed the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting - also referred to as the "multilateral instrument".



Calendar of events

Date	Event	Location
18 January 2019	Employer Tax & CPF Reporting Workshop	Hilton Singapore, 581 Orchard Road, Singapore 238883
	Contacts: Sharon Ting	



Beyond Asia Pacific

[Mexico: Amendments to income tax law](#)

Tax legislative amendments have been published in the official gazette. Topics of areas reflecting changes include or concern:

- Trusts and fiduciary accounts
- Procedures for investment funds to determine income tax on returns from investments in derivative financial operations
- Trust assets used in the acquisition or construction of real estate
- Disposals of intangible assets made with respect to individuals residing abroad
- Expenses incurred with respect to commercial activities under a contract with a union
- The cost of goods sold for taxpayers conducting commercial activities that involve the acquisition and transfer of goods
- Modifications to the arm's length value determination of transactions with related parties within the interquartile range

[Nigeria: Income tax treaty with Singapore pending ratification](#)

An income tax treaty between Nigeria and Singapore is pending ratification in Nigeria. The treaty includes a new definition of permanent establishment; reduced rates of withholding tax on dividends, interest, and royalties; provisions concerning interest on funds connected with the operations of ships or aircraft in international traffic; and rules on the taxation of capital gains.



TaxNewsFlash by region

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

Africa	Americas	Europe	United States
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