



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 31 October 2019



Asia Pacific Tax Developments

Australia

[Foreign income tax offset limit, untaxed capital gains](#)

The Australian Taxation Office ('ATO') released a draft taxation determination that may result in reduced foreign income tax offset.

[Post-import adjustments, determining customs value of imported goods](#)

For December year-end businesses, it is time to determine what payments need to be included in the customs value of imported goods and to meet all of the Australian Taxation Office's strict deadlines and requirements under the Australian customs laws.

[Proposed expanded land tax base, New South Wales](#)

Legislation in New South Wales (the state where Sydney is located) proposes changes relating to duties and land tax.

[Thin capitalisation asset valuation law changes – ATO administrative treatment](#)

Tax returns now required to be lodged based on new law, but transitional relief may still apply if conditions are met.



[Transfer pricing focus in life sciences sector](#)

The ATO is currently actively focused on the pharmaceuticals and life sciences industry. As an industry dominated by multinational organisations and cross-border value chains, international tax issues and transfer pricing are at the heart of the ATO's focus.

China

[Customs Policy Update - for the Period of September 2019](#)

Monthly Update on Customs Policies, September 2019 - Announcement on the First Exclusion Lists for US Origin Goods Subjected to Retaliatory Tariffs (Tariff Commission Announcement [2019] No. 6).

[Tax uncertainties with expanded opportunities for foreign insurance companies, banks](#)

The State Council issued an order (Order No. 720) to expand the availability of the financial industry to foreign insurance companies and foreign-funded banks.

India

[Payment for offshore supply of equipment is not taxable in India under the Income-tax Act as well as under the India-Japan tax treaty](#)

The NCR Bench of the Authority for Advanced Ruling held that payment of offshore supply of an equipment is not taxable in India under the Income-tax Act, 1961 as well as under India-Japan tax treaty since the delivery of equipment took place outside India and the title of the equipment was transferred outside India.

Malaysia

[Tax incentives, other measures in 2020 budget](#)

KPMG Malaysia provides a snapshot of 2020 Malaysian Budget presented on October 2019.

Mauritius

[Multilateral instrument \(MLI\) ratified; implications for tax treaties](#)

The multilateral instrument negotiated under Action 15 of the OECD/G20 base erosion and profit shifting project and signed by Mauritius will enter into force 1 February 2020.

Taiwan

[Invoice requirements for foreign e-commerce suppliers, effective January 2020](#)

Since May 2017, foreign e-commerce suppliers having no fixed place of business in Taiwan and selling electronic services to individuals in Taiwan must register for tax purposes and pay value added tax when annual sales totals exceed NTD 480,000 (approximately U.S. \$15,750).



Beyond Asia Pacific

[Canada: GST/HST registration required before acquisition or reorganization](#)

Businesses must remember that they are required to register certain entities for goods and services tax / harmonized sales tax (GST/HST) purposes on or before an acquisition or reorganization.

[United States: APAs cancelled; no transfer pricing adjustments and taxpayer not liable for 40% penalty](#)

The U.S. Tax Court issued an opinion finding that the taxpayer was not liable for 40% penalties under section 6662(h) in a dispute stemming from the cancellation of two advance pricing agreements (APAs) by the IRS.



TaxNewsFlash by region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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