



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Cambodia

[Ministry of Mines and Energy – Electricity exemption plan and incentives](#)

The purpose of this exemption plan and the incentives is to make adjustments to payments for electricity usage in the industrial, agricultural, trade and service sectors, to help lessen the burden on those sectors during the Covid-19 pandemic.

[Travel and immigration – Entry requirements and quarantine measures in response to the spread of the Covid-19 pandemic](#)

The government has amended the preventive measures in response to the spread of the Covid-19 pandemic for all passengers travelling to Cambodia by air, land and waterways in the announcement No. 101 of the Ministry of Health.

Hong Kong (SAR), China

[Tax incentives and ship leasing activities](#)

The latest of tax incentives includes a concession for ship leasing and ship leasing management activities, with measures published in the official gazette on 19 June 2020.



[CBDT amends TDS Rules in line with various TDS related amendments introduced by the Finance Act, 2020](#)

The Finance Act, 2020 introduced various new TDS provisions in the Income-tax Act, 1961 for e.g. TDS on payment of certain sums by e-commerce operator to e-commerce participant, TDS on income in respect of units, etc.

[CBDT notifies certain classes of persons for non-applicability of Section 56\(2\)\(x\) and 50CA of the Income-tax Act](#)

CBDT has issued Notifications prescribing certain classes of persons for non-applicability of Section 56(2)(x) and Section 50CA. CBDT amended Rule 11UAC [relating to Section 56(2)(x)] and introduced a new Rule 11 UAD [relating to Section 50CA].

[Non-Resident's explanation of cash deposit in his Non Resident Ordinary \(NRO\) Account acceptable in light of partial evidence](#)

The Jaipur Bench of the Income Tax Appellate Tribunal has deleted the addition made by the AO in the hands of individual taxpayer with respect to the cash deposit made by him in his NRO account in India, as the source of such deposit was explained by partial documentary evidence.

[Rental loss from a hotel unit in US and share of loss in US LLCs are treated as 'income from other sources', eligible for set-off against salary income in India](#)

The Delhi Bench of Income-tax Appellate Tribunal (the Tribunal) held that the rental loss from a hotel unit in the US and share of loss in the US Limited Liability Companies are in the nature of 'income from other sources' and not business losses.

[TDS threshold will apply to each joint owner of the property separately while deducting tax on the payment of rent](#)

The Indore Bench of the Tribunal held that the taxpayer cannot be treated as an 'assessee in default' for short deduction of tax on rent payment to joint owners since the taxpayer has rightly deducted, collected and paid the tax on share of rent paid to co-owners.

Japan

[Administrative guidance, individual income tax relief \(COVID-19\)](#)

An amended cabinet order concerning a “special grace period” and administrative guidance about special measures for individual income tax purposes were issued in response to the coronavirus (COVID-19) pandemic.

[Ministerial ordinances, implementing Japanese group relief system](#)

The Japanese group relief system revises the current consolidated tax return filing system, effective from fiscal years beginning on or after 1 April 2022.

[Updated FAQs on common reporting standard regime](#)

Japan’s tax agency updated a set of “frequently asked questions” (FAQs) on the automatic exchange of information (AEOI) reporting system under the common reporting standard (CRS) regime.

Pakistan

[Tax measures enacted in Finance Act 2020](#)

The National Assembly approved the Finance Bill 2020 with certain amendments, and then the legislation received the assent of the president and was enacted on 30 June 2020 as Finance Act, 2020.

Sri Lanka

[Tax relief for SMEs \(COVID-19\)](#)

The Sri Lankan cabinet approved certain tax relief measures specifically for the small and medium size (SME) sector in response to the coronavirus (COVID-19) pandemic.

Vietnam

[Deadline for FATCA returns extended to 1 November 2020 \(COVID-19\)](#)

The deadline for Vietnamese financial institutions to file FATCA returns for the 2019 reporting year has been extended to 1 November 2020 (from 15 August 2020). The extended deadline is Vietnam’s response to a notification from the U.S. tax authority (IRS) addressing implications of the coronavirus (COVID-19) pandemic.

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Significant International Tax Developments

[OECD: Corporate tax statistics from country-by-country reporting](#)

The Organisation for Economic Cooperation and Development (OECD) announced the release of a report of aggregated information on the global tax and economic activities of approximately 4,000 multinational enterprise (MNE) groups headquartered in 26 jurisdictions and operating across more than 100 jurisdictions.

[OECD: Global tax reporting framework for digital platforms](#)

The tax reporting framework—*Model Rules for Reporting by Platform Operators with respect to Sellers in the Sharing and Gig Economy*—is designed to help taxpayers in being compliant with their tax obligations, while providing a “level-playing field with traditional businesses” in key sectors of the sharing and gig economy.



Beyond Asia Pacific

[Canada: Tax treaty with Madagascar, entry into force](#)

The Department of Finance announced that Canada's tax treaty with Madagascar entered into force on 3 June 2020.

[Germany: Tax relief measures in legislation \(COVID-19\)](#)

The Bundestag and Bundesrat on 29 June 2020 passed legislation to provide tax relief in response to the COVID-19 pandemic.



TaxNewsFlash by region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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