



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[Extension of and changes to JobKeeper program \(COVID-19\)](#)

The government announced extensions of and changes to the JobKeeper program - established to provide employment-related relief in response to the coronavirus (COVID-19) pandemic - with means testing to be reintroduced for the JobSeeker payment.

[Transfer pricing arrangements and JobKeeper payments \(COVID-19\)](#)

The Australian Taxation Office released information addressing the treatment of JobKeeper payments in transfer pricing arrangements.

Bangladesh

[Tax rate reduction proposals in 2020 budget](#)

The 2020 budget proposals in Bangladesh include measures concerning the corporate tax and individual (personal) tax rates.



China

[Shenzhen incentives for highly skilled foreign individuals](#)

Various Shenzhen municipal authorities jointly issued guidance for implementing the “Greater Bay Area” preferential individual income policies.

Hong Kong (SAR), China

[Guidance on APA procedures](#)

The Inland Revenue Department on 15 July 2020 released guidance concerning advance pricing arrangement procedures.

India

[CBDT issues directives to the tax authorities to expedite various procedures relating to TDS certificates, tax evasion petition, cases pending before CIT\(A\) and ‘Vivaad-se-Vishwas’ Scheme](#)

The Central Board of Direct Taxes (CBDT) has issued letters to the tax authorities directing to complete the specified procedures in the given timeline. CBDT desires that the issues faced by the taxpayers should be completed on priority basis.

[Payment for database access and market research report is not taxable as ‘royalty’ under the India-Switzerland tax treaty](#)

The Mumbai Bench of the Income-tax Appellate Tribunal (the Tribunal) in the case of IMS AG held that consideration received for non-exclusive and non-transferable access to the database and market research report is not taxable as ‘royalty’ under the India-Switzerland tax treaty.

[Pursuant to transfer of business unit, unutilised ITC under different heads can be transferred to other states by filing ITC 02 – Authority for Advance Ruling, Andhra Pradesh](#)

The Authority for Advance Ruling, Andhra Pradesh has recently passed an order allowing interstate transfer of unutilised input tax credit pursuant to supply of business unit as going concern.

[Seconded employee did not create permanent establishment under tax treaty with Singapore](#)

The Delhi Bench of the Income-tax Appellate Tribunal held that the secondment by a Singapore company of an employee to an Indian company did not give rise to a service permanent establishment in India, pursuant to the provisions of the income tax treaty between India and Singapore.

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Indonesia

[Guidance implementing VAT on offshore e-commerce transactions](#)

The guidance implements the VAT rules that were effective 1 July 2020. In general, these rules provide that VAT is imposed at a rate of 10% on offshore intangible taxable assets and/or services within Indonesia provided by means of e-commerce.

Japan

[Special grace period for tax payments \(COVID-19\)](#)

Measures - including a special grace period of one year for eligible companies to make tax payments—are provided as tax relief for companies in response to the economic challenges of the COVID-19 pandemic.

Korea

[Amendments to FATCA and CRS regulations](#)

Amendments to the FATCA and common reporting standard (CRS) regulations have an effective date of 7 July 2020. The changes concern updated definitions and additions to the list of reporting jurisdictions. In addition, a three-year periodic review process was established.

Malaysia

[Amendment to final GST return due by 31 August 2020](#)

Malaysia's goods and services tax (GST) was replaced by the "sales tax and services tax," but there are still transitional GST issues that may need to be resolved. Amendments to the final GST-03 return (if any) must be made by 31 August 2020.

Singapore

[GCT vs Comptroller of Income Tax \[2020\] SGITBR 3: Payments made under a Separation Agreement](#)

The Board of Review held that payments that are made to compensate for the loss of an income source is not taxable, as it constitutes for loss of office and for a non-competition covenant.



Calendar of events

Date	Event	Location
28 July 2020	Insights on Managing Tax Risks: Steering your business through uncertain times Contact: Vikram Mehta	Webinar



Beyond Asia Pacific

[Canada: Extended, expanded wage subsidy \(COVID-19\)](#)

Certain employers may now be able to receive the “emergency response” wage subsidy for an extended period of time under pending legislation. The wage subsidy is a program intended to provide relief in response to the COVID-19 pandemic.

[Ireland: Corporate governance relief measures are proposed \(COVID-19\)](#)

The government has approved “priority drafting” of legislation that would include corporate governance provisions and measures for provident societies, all intended to provide 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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