



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 20 August 2020



Asia Pacific Tax Developments

Australia

[New draft risk guidance for outbound interest-free loans](#)

The Australian Taxation Office (ATO) has released its long-awaited draft risk-guidance relating to outbound interest-free loans made between an Australian taxpayer and its international related parties.

China

[Individual income tax relief for new employees, interns](#)

Announcement No. 13 allows for a reduction of the income tax withholding imposed on the income of new employees and interns. The goal is to provide workers with more cash, but it will not reduce their year-end tax bills.

India

[CBDT amends the E-assessment Scheme 2019 to implement the Faceless Assessment scheme](#)

The CBDT has issued various orders / Notifications to implement the Faceless assessment scheme.



[CBDT prescribes conditions and forms for an eligible Pension Fund seeking infrastructure exemption](#)

As per Section 10(23FE) of the Income-tax Act, 1961, Sovereign Wealth Funds and Pension Funds are eligible for infrastructure exemption subject to certain conditions laid down in the explanation to the said section. As per the explanation, exemption for Pension Funds are subject to satisfaction of such other condition as may be prescribed.

[CBDT amends rules to exempt dividend payment to non-residents from higher deduction of tax in the absence of PAN](#)

The CBDT has issued a notification amending Rule 37BC to include dividend payment within its ambit. The amendment is with respect to non-applicability of higher rate of tax under Section 206AA in case of non-resident not having PAN with respect to dividend

[Due diligence procedures, determining “controlling person” under FATCA and CRS regimes](#)

The tax department in late July 2020 issued a clarification regarding a FATCA / common reporting standard (CRS) guidance note that was issued in November 2016.

[Government constitutes Committee for export incentives under the RoDTEP Scheme](#)

The Government has formed RoDTEP committee to implement the scheme which is tasked to Interact with the ministries, export promotion councils, trade boards and other stakeholders to solicit views on the ceiling rates under this Scheme & Work out on modalities for calculation of duties/ taxes/ levies at Central, State and Local level borne including prior stage cumulative indirect taxes used in the production of the exported product and such indirect taxes in respect of the distribution of export products.

[“The Prime Minister unveils ‘Transparent taxation’ platform including taxpayers character](#)

The Prime Minister (PM) has launched 'Transparent Taxation' platform to honour the honest taxpayers. The PM laid out the next phase of reforms of the direct taxes which is aimed at easing the tax compliance and also rewarding honest taxpayers in the midst of COVID-19 pandemic.

Philippines

[Proposed legislation, taxation of digital economy](#)

The Bureau of Internal Revenue (BIR) released guidance (Revenue Memorandum Circular (RMC) No. 60-2020) as a reminder to entities doing business through digital means to register with the BIR.

Singapore

[Revised FATCA form released](#)

The Inland Revenue Authority of Singapore (IRAS) on 12 August 2020 issued a revised FATCA form for use by “reporting Singapore financial institutions.”

Thailand

[Additional 150% deduction for investments in new machinery, hotel renovations \(COVID-19\)](#)

Royal Decrees No. 695 and No. 698 provide an additional 150% deduction to companies and juristic partnerships for certain investments made in new machinery and hotel renovations—a relief measure that aims to provide economic support for sectors affected by the COVID-19 pandemic.



Calendar of events

Date	Event	Location
26 August 2020	Hong Kong's New Limited Partnership Fund Regime	Webinar
28 August 2020	Building Supply Chain Resilience	Webinar
7 September 2020	Demystifying Malaysian Withholding Tax	Webinar



Beyond Asia Pacific

[Colombia: Tax implications of indirect transfers of shares, rights or assets](#)

Companies and individuals in Colombia involved in indirect transfers of shares, rights or assets must follow the provisions set out in a decree that implements the provisions of Article 90-3 of the Colombian tax law.

[South Africa: Proposed changes to doubtful debt allowance rules, lease receivables](#)

The 2020 Draft Taxation Laws Amendment Bill proposes changes to the rules concerning doubtful debt allowances related to lease receivables.



TaxNewsFlash by region

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[Europe](#)

[United States](#)



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