



# KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 4 March 2021



## Asia Pacific Tax Developments

### Australia

#### [JobKeeper payment scheme ends 28 March 2021 \(COVID-19\)](#)

The Australian Taxation Office (ATO) issued a reminder that the JobKeeper payment scheme will end 28 March 2021, and that businesses must file their February 2021 monthly business declarations by 14 March 2021.

### China

#### [VAT essentials guide for 2021](#)

A value added tax (VAT) essentials guide from KPMG provides key information about China's VAT system (in English language) and explains many of its core principles.

### Hong Kong (SAR), China

#### [Tax measures in budget 2021-2022](#)

No new taxes were introduced in the budget for 2021-2022, but the government proposed to increase the rate of the stamp tax (duty) on stock transfers.



# India

## [CBDT notification amending Faceless Assessment Scheme, 2019](#)

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In order to impart greater efficiency, transparency and accountability to the assessment process, a new E-Assessment Scheme was introduced in 2019. The Central Board of Direct Taxes has issued a new Notification to further amend the Faceless assessment Scheme, 2019.

## [Production linked incentive scheme for Pharmaceutical products](#)

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The Union Cabinet has approved the Production Linked Incentive Scheme (PLIS) to promote domestic manufacturing of high value products and increase the value addition in exports.

## [Production Linked Incentive Scheme to promote domestic manufacturing of telecom and networking products](#)

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The Ministry of Communication (Department of Telecommunication) has notified the PLIS to promote domestic manufacturing of Telecom and Networking Products. The scheme aims to provide financial impetus to entities engaged in manufacturing of specified telecom and networking products.

## [The AAR accepted the application since the issue was not pending before the tax department](#)

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The Authority for Advance Rulings (AAR) held that there is no bar under the Income-tax Act, 1961 to approach the AAR to decide an issue of taxability even if identical receipts were offered to tax by the taxpayer in the earlier years.

# Japan

## [Update of FAQs Relating to COVID-19](#)

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The National Tax Agency updated the 'FAQs about the tax treatments for the tax filing and tax payment procedures, etc. relating to COVID-19.

# Korea

## [Korean Tax Brief – February 2021](#)

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As follow-up procedure of the Tax Law Amendment, the Korean government announced the Enforcement Decree of the Tax Law in January 2021 which will be finalized and enacted in February after Cabinet Council Meeting and other related procedures.

# Malaysia

## [FAQs about tax deduction for landlords offering reduced rent \(COVID-19\)](#)

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The Malaysian Inland Revenue Board issued a set of updated FAQs on the special tax deduction available for landlords that provide a rental reduction of at least 30% to small and medium-sized enterprise tenants and regarding business premises rented to non-SMEs - support offered in response to the COVID-19 pandemic.

# New Zealand

## [Proposed changes to tax loss rules, introduction of business continuity test](#)

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The Minister of Revenue announced details of further changes to the tax loss rules—revisions that would be intended to help businesses affected by the COVID-19 pandemic to maintain their tax losses if they breach the current 49% minimum shareholder continuity test (for example, with capital from new investors).



# Significant International Tax Developments

## [OECD: Technical changes in CRS XML schema 2.0](#)

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Version 2.0 of the common reporting standard (CRS) XML schema introduced by the Organization for Economic Cooperation and Development (OECD) includes technical changes to the prior version, CRS XML schema version 1.0.

## [OECD: United States drops “safe harbor” request on proposed digital tax rules](#)

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The United States demand for a safe harbor had been seen as a major stumbling block to reaching agreement at the OECD on the proposed rules, commonly referred to as Pillar One.



## Calendar of events

Date	Event	Location
10 March 2021	<a href="#">Exploring GBA Cities Series: Innovation in GDFTZ – Nansha, Qianhai and Hengqin</a> Contact: <a href="#">Tracy Leung</a>	Webinar
29 March 2021	<a href="#">Navigating Ways Through Tax Audit &amp; Investigation: Good Practices when Dealing with the Inland Revenue Board</a> Contact: <a href="#">Karen Lee</a> and <a href="#">Bernice Lim</a>	Webinar
30 March 2021	<a href="#">Demystifying Malaysian Withholding Tax</a>	Webinar



## Beyond Asia Pacific

### [Canada: Proposed changes to wage and rent subsidy programs \(COVID-19\)](#)

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Certain employers and property owners may be affected by proposed new relief under the Canada emergency wage subsidy (CEWS) and Canada emergency rent subsidy (CERS) - programs introduced in response to the COVID-19 pandemic.

### [Germany: VAT on cross-border provisions of company vehicles to employees \(CJEU judgment\)](#)

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The Court of Justice of the European Union (CJEU) issued a judgment in a case concerning whether the cross-border provision of company vehicles to employees for business and private purposes is subject to VAT imposed with regard to the location where the employees reside..



## TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



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