



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 26 August 2021



Asia Pacific Tax Developments

Australia

[Proposed reporting requirements for the sharing economy](#)

Legislation to implement a reporting regime for the sharing economy—rules that would require operators of electronic distribution platforms to report information to the Australian Taxation Office (ATO) relating to transactions facilitated through their platforms—was introduced into parliament.

India

[RoDTEP scheme guidelines and rates notified](#)

Central Government has amended Foreign Trade Policy 2015-20 to notify the scheme for Remission of Duties and Taxes on Exported Goods (RoDTEP) with immediate effect. The objective of the scheme is to refund the indirect tax levies on exported product which are not refunded.

[Debentures issued in lieu of outstanding interest liability amounts to ‘actual payment’ and is deductible under the Income-tax Act](#)

The Supreme Court of India held that debentures issued to lender financial institutions are deductible. The Supreme Court observed that the interest was to be considered as having been “actually paid” with the issuance of the debentures because the debentures extinguished the liability to pay interest and thus was an allowable deduction.

[Payments for online advertising, marketing and IT facilities to non-resident entities are not taxable as royalty](#)

The Bangalore Bench of the Income-tax Appellate Tribunal (Tribunal) held that payments made by the taxpayer to non-resident entities for use of certain online advertising, marketing, and information technology facilities does not fall under the definition of “royalty” under the tax treaties between India and Ireland and India and the USA.

[Delay in furnishing a Tax Residency Certificate cannot be a ground to reject a tax treaty benefit](#)

The Mumbai Bench of the Tribunal held the taxpayer was entitled to relief regarding the treatment of interest income under the income tax treaty between India and the USA because there were justifiable reasons for the taxpayer’s delay in furnishing a tax residency certificate and Form 10F.

Malaysia

[Amendment to Service Tax Policy](#)

Royal Malaysian Customs Department has issued the Amendment to Service Tax Policy 2/2021 in respect of Service Tax exemption on the provision of accommodation services. The Amendment reiterates that the Service Tax exemption for the extended is limited to the provision of accommodation premises (including breakfast where it is part of the package).

[Tourism tax and digital platform service providers and accommodation premise operators](#)

The Royal Malaysian Customs Department released guidance about the tourism tax obligations of digital platform service providers and tourism tax guidance for accommodation premise operators.

[One-month extension for filing tax returns for 2021](#)

The Malaysian Inland Revenue Board announced an additional one-month extension of time to file income tax returns for 2021.

Thailand

[VAT registration for providers of e-services and electronic platform operators](#)

Non-resident providers of electronic services—e-services—and electronic platform operators with revenue exceeding THB 18 million from the provision of e-services to persons not registered for value added tax (VAT) purposes in Thailand are required to register for VAT and file monthly VAT returns with the Thai Revenue Department.



Calendar of events

Date	Event	Location
31 August 2021	KPMG Tax Reimagined: Tax Transformation Webinar Series	Webinar
2 September 2021	What You Need to Know About the New Singapore Transfer Pricing Guidelines (Sixth Edition)	Webinar
6 September 2021	Managing the Tax Impact on Certain Payments made by Companies to Individuals Contact: Tax Events	Webinar
28 September 2021	What to expect and how to manage transfer of talents into Malaysia: From a Tax and Immigration Perspective Contact: Tax Events	Webinar



Beyond Asia Pacific

[Canada: Federal luxury tax proposals for vehicles, aircraft, and boats](#)

The Department of Finance released details of its proposed framework for a new luxury tax that would apply to vehicles and aircraft with final sales prices above \$100,000* and for new boats with final sales prices above \$250,000.

[Rev. Rul. 2021-17: Interest rates, tax underpayments and overpayments \(no changes for fourth quarter 2021\)](#)

The IRS released an advance version of Rev. Rul. 2021-17 that provides the rates of interest with regard to tax underpayments and tax overpayments for the calendar quarter beginning October 1, 2021



TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



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