



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 21 October 2021



Asia Pacific Tax Developments

Australia

[Proposed expansion of tax treaty network](#)

The government announced its plans to expand Australia's tax treaty network by updating existing tax treaties and entering into new tax treaties, with a total of 10 new and updated treaties by 2023.

[Status of legislation to implement a reporting regime for the "sharing economy"](#)

Legislation to implement a reporting regime for the "sharing economy" that would require operators of electronic distribution platforms to report information to the Australian Taxation Office (ATO) relating to transactions facilitated through their platform, was passed by the House of Representatives.

[ATO guidance on preparing for GST assurance reviews](#)

The ATO released Guide to Independent Data Testing by Third-Party Advisors to supplement existing guidance to explain how the justified trust methodology will be applied by the ATO when reviewing the existence, design and operation of goods and services tax (GST) controls as part of a taxpayer's effective tax control framework.

India

[CBDT issues final rules for implementing the withdrawal of retrospective application of 'indirect transfer' related provisions](#)

The Taxation Laws (Amendment) Act, 2021 amended the Income-tax Act, 1961 (the Act) to provide that no tax demand shall be raised in future on the basis of the amendment to Section 9 made vide the Finance Act, 2012 for any offshore indirect transfer of Indian assets if the transaction was undertaken before 28 May 20122 .



[Management support services are not taxable as FTS under the India-Singapore tax treaty](#)

The Delhi Bench of the Income-tax Appellate Tribunal held that amounts received from management support services with regard to hotel management operations are not taxable as fees for technical services under the income tax treaty between India and Singapore

[Unutilised foreign tax credit is not allowed as business expenditure](#)

The Hyderabad Bench of the Income-tax Appellate Tribunal held that foreign taxes against which credit is not allowable under section 91(1) of the Income-tax Act, 1961 are not deductible as a business expenditure

Philippines

[Tax treatment of payments to “social influencers”](#)

The Bureau of Internal Revenue (BIR) issued Revenue Memorandum Circular (RMC) 97-2021 regarding social media influencers defined as “all taxpayers, individuals or corporations, receiving income, in cash or kind, from any social media site and platform...in exchange for services performed as bloggers, video bloggers...or as an influencer, in general, and from any other activities performed on such social media sites and platforms”.

Thailand

[Digital tax coupons for use and application against customs duties and taxes](#)

Thai exporters that export locally produced goods may be eligible for a tax rebate program (or scheme). Exporters must register as a person eligible for a tax rebate in order to obtain a digital tax coupon

[New Regulation for Country-by-Country Reporting in Thailand: Are You Ready for Submission Next Year?](#)

TRD announced Notification of the Director-General on Income Tax No. 408 (“the Notification. This regulation relates to the transfer pricing requirements for a Country-by-Country Report (“CbCR”), and is effective for accounting periods starting on or after 1 January 2021.

Vietnam

[Exemptions, reduced rates of corporate income tax under special investment incentives](#)

Guidance implementing special investment incentive policy with regard to eligible investment projects. If an investment project satisfies the conditions for eligibility, reduced corporate income tax rates and/or tax exemptions as well as relief from land and surface rental are available.

[Guidelines on APA program changes](#)

The General Department of Taxation (GDT) issued an “official letter” to provide guidelines for tax departments of the provinces and municipalities with regard to changes made to the advance pricing agreement (APA) program.

[Circular 80/2021/TT-BTC guiding the Law on Tax Administration No. 38/2019/QH14 and Decree No. 126/2020/ND-CP](#)

Circular 80/2021 provides guidelines for implementing certain tax administrative measures - including the tax payment allocation mechanism and principles of tax declaration and tax administration.

[Taxation of e-commerce and digital-based transactions](#)

Guidance implements tax administration of foreign or overseas suppliers that do not have a permanent establishment in Vietnam but are conducting e-commerce and/or digital-based transactions and thus have income arising in Vietnam.



Calendar of events

Date	Event	Location
5 October 2021 – 9 November 2021	KPMG Asset Management and Private Equity Tax – Asia Pacific Webinar Series Contact: Jessica Luk at +852 2685 7620.	Webinar
17 November 2021 – 18 November 2021	Tax and Business Summit	Webinar



Significant International Tax Developments

[OECD: Status update on BEPS Action 13 \(country-by-country reporting\) and Action 14 \(mutual agreement procedure\)](#)

The Organisation for Economic Cooperation and Development (OECD) today issued a release regarding the status of implementation of the base erosion and profit shifting (BEPS) Action 13 on the transparency of global operations of large multinational enterprises (MNEs) and BEPS Action 14 on the resolution of tax-related disputes between jurisdictions.



Beyond Asia Pacific

[Malta: Tax measures in budget implementation legislation](#)

Bill No. 247—which includes provisions to implement certain budget measures for the financial year 2022 as well as other administrative measures—has been published, and is expected to be enacted in the first quarter of 2022.

[IRS clarifies FAQs may offer reasonable cause for penalty protection, but are not precedential](#)

The IRS, issued a release that reports “frequently asked questions” (FAQs) on newly enacted tax legislation or other topics are not precedential but may offer penalty protection for taxpayers that relied on them.



TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



KPMG Asia Pacific Tax Centre Contacts

Asia Pacific Regional Leader, Tax & Legal



Lewis Lu
Head of Tax & Legal
KPMG Asia Pacific
E : lewis.lu@kpmg.com

Global Head of Tax & Legal Clients & Markets Leader



Brahma D Sharma
Global Head of Tax & Legal Clients & Markets
Partner, KPMG Asia Pacific
E : brahmasharma@kpmg.com.sg

Service Line Specialists

Transfer Pricing Services



Tony Gorgas
Transfer Pricing Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : torgas@kpmg.com.au

Indirect Tax Services



Shirley Shen
Indirect Tax Service Leader
KPMG Asia Pacific
Partner, KPMG in Singapore
E : shirleyshen@kpmg.com.sg



KPMG Asia Pacific Tax Centre Contacts

Global Compliance Management Services and Financial Services



Jenny Clarke
Global Compliance Management Services and Financial Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : jeclarke@kpmg.com.au

Global Mobility Services



Ben Travers
Global Mobility Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : btravers1@kpmg.com.au

International Tax



Dean Rolfe
International Tax Services Leader
KPMG Asia Pacific
Partner, KPMG in Singapore
E : deanrolfe@kpmg.com.sg

Deal Advisory M&A Tax



Angus Wilson
Deal Advisory M&A Tax Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : arwilson@kpmg.com.au

Dispute Resolution and Controversy



Lian Seng Soh
Dispute Resolution and Controversy Services Leader
KPMG Asia Pacific
Partner, KPMG Malaysia
E : lsqh@kpmg.com.my

Legal Services



Stuart Fuller
Global Head of Legal Services
Partner, KPMG Australia
E : stuartfuller@kpmg.com.au

Trade & Customs



Leonie Ferretter
Trade & Customs Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : lferretter@kpmg.com.au

Tax Policy



Conrad Turley
Tax Policy Services Leader
KPMG Asia Pacific
Partner, KPMG China
E : conrad.turley@kpmg.com



KPMG Asia Pacific Tax Centre Contacts

Market Sector Specialists

Energy & Natural Resources



Carlo Franchina
Energy & Natural Resources Tax
Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : cfranchina@kpmg.com.au

Insurance



John Salvaris
Insurance Tax Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : jsalvaris@kpmg.com.au

Sovereign Wealth and Pension Funds



Angus Wilson
Sovereign Wealth and Pension
Funds Tax Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : arwilson@kpmg.com.au

Asset Management



Darren Bowdern
Asset Management Tax Leader
KPMG Asia Pacific
Partner, KPMG China
E : darren.bowdern@kpmg.com

Banking



John Timpany
Banking Sector Leader
KPMG Asia Pacific
Partner, KPMG China
E : john.timpany@kpmg.com



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