



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 26 May 2022



Asia Pacific Tax Developments

Australia

[Labor party wins 2022 election, tax policies include public country-by-country \(CbC\) reporting](#)

The Labor Party has won the 2022 federal election. The campaign saw very little debate on tax reform, but it is expected that the newly elected government will continue with the legislated individual (personal) income tax cuts announced by the outgoing government and will attempt to recover \$1.89 billion* through new measures targeting multinational enterprises (MNEs).

[Stamp duty act enacted \(New South Wales\)](#)

The New South Wales "State Revenue and Fines Legislation Amendment (Miscellaneous) Act 2022" received Royal Assent.

China

[Shenzhen launches first tax and customs collaborative transfer pricing management mechanism](#)

Under China's current tax and customs management systems, enterprises encounter challenges on their related-party imports, and possibly are subjected to import price adjustments concurrently by two separate authorities. The Shenzhen Tax Bureau and Shenzhen Customs jointly issued "Notice of Shenzhen Tax Bureau of the State Taxation Administration and Shenzhen Customs on matters regarding the collaborative management of transfer pricing of related-party imported goods."

Hong Kong (SAR), China

[Update on corporate tax issues, including transfer pricing documentation](#)

The minutes of the 2021 annual meeting between the Hong Kong Institute of Certified Public Accountants and the Inland Revenue Department (IRD) were published. The minutes summarize the IRD's views on various tax issues that were discussed during the meeting.



[Proposed tax deduction for rent paid for domestic premises](#)

A pending legislative proposal would provide a tax deduction for domestic rental payments, effective from year of assessment 2022-2023. The maximum deduction for rents paid for eligible domestic premises would be HK\$100,000 per year of assessment. Because this proposed measure could affect 2022-2023 provisional tax assessments, a claim for a tax deduction could be made with the 2021-2022 individual tax return.

India

[No GST payable by Indian importer on reverse charge on ocean freight paid by foreign seller](#)

The Supreme Court confirmed the decision of the Gujarat High Court which held that no tax is payable under IGST Act, 2017 by the Indian importer on reverse charge on ocean freight paid by foreign seller to a foreign shipping line.

[Beneficial ownership provisions may not apply to capital gains article of India-Mauritius treaty](#)

The Mumbai Bench of the Income-tax Appellate Tribunal held that the beneficial ownership provisions of the India-Mauritius income tax treaty do not necessarily apply to the capital gains article of the treaty.

New Zealand

[Budget 2022](#)

New Zealand's 2022 budget was released and there were few tax-related proposals in the 2022 budget; one would provide a short extension of the fuel tax reduction.

Singapore

[Tax treatment of appropriation of trading stock and conversion of non-trade/capital assets](#)

The Inland Revenue Authority of Singapore (IRAS) released a new e-tax guide—Tax Treatment on Appropriation of Trading Stock for Non-Trade or Capital Purposes and Conversion of Non-Trade or Capital Assets to Trading Stock—that provides details on the income tax treatment when trading stock held by businesses is appropriated for non-trade or capital purposes and when non-trade or capital assets are converted to trading stock.

Taiwan

[Extension of CRS reporting deadline \(COVID-19\)](#)

The Ministry of Finance announced an extension of the common reporting standard (CRS) reporting deadline for the 2021 reporting period from 30 June 2022 to 1 August 2022, due to the effects of the COVID-19 pandemic.

Thailand

[Tax incentives to support implementation of digital technology](#)

The Board of Investment announced in March 2021 a three-year corporate income tax exemption for 50% of the investment capital (excluding cost of land and working capital) invested in implementing the following digital technologies:

- Software, programs or information technology used to be internally integrated or externally connected, or both, with at least three functions of data link for resource management
- Artificial intelligence (AI), machine learning, and utilizing big data or data analysis
- Software, programs or information technology that connects with the government's online services

[Voluntary disclosure program regarding import and export transactions, extended into 2026](#)

A company with import and export transactions may, through self-discovery or internal audit, need to update or revise information on an import or export entry declared to the Thai customs department in order to confirm its customs compliance. Companies that need to make such a revision and pay additional duty to the customs department may consider applying to the “customs one stop service”—a voluntary disclosure program. This voluntary disclosure program has been extended for five years.

Vietnam

[Guidance on investment in vocational education, foreign loans, public health policies \(COVID-19\)](#)

The government issued the following items of regulatory guidance:

- Decree No. 24/2022/ND-CP amending regulations on conditions for investment and operation in vocational education, effective from 1 June 2022
- Decree No. 25/2022/ND-CP amending regulations on the implementation of several provisions of the postal rules, effective from 1 June 2022
- Decree No. 29/2022/ND-CP providing details on the implementation of Resolution No. 12/2021/UBTVQH15, relating to policies in the health sector designed to prevent and control the coronavirus (COVID-19) pandemic
- Draft circular providing conditions for enterprises to borrow non-government guaranteed foreign loans, which will replace Circular No. 12/2014/TT-NHNN



Significant International Tax Developments

[OECD: Comments on regulated financial services exclusion under Amount A of Pillar One](#)

The Organisation for Economic Cooperation and Development (OECD) released comments received on the regulated financial services exclusion under Amount A of Pillar One.



Calendar of events

Date	Event	Location
31 May 2022	<u>Introduction of Singapore 13O/U and Insights on Digital Assets</u> Contact : <u>KPMG SG BLC team</u>	Webinar
8 June 2022	<u>Taxation of Unit Trust Funds in Malaysia</u> Contact : <u>taxevents@kpmg.com.my</u>	Webinar



Beyond Asia Pacific

[Bolivia: Taxpayer billing information systems, registration rules](#)

The tax authority (Servicio de Impuestos Nacionales) issued guidance—RND No. 102200000010 — that addresses the registration of billing information systems. Under the guidance, approximately 3,900 taxpayers identified and listed by their taxpayer identification number in an annex to the guidance must adapt and implement their billing information systems pursuant to the rules. Also, there are requirements for these taxpayers to issue digital tax documents.

[Nigeria: Revised regulation on administration of retirement and “terminal” benefits](#)

The National Pension Commission issued a revised regulation on the administration of retirement and “terminal” benefits. The revised regulation replaced the previous regulations for the administration of retirement and terminal benefits under the repealed Pension Reform Act (PRA), 2004, and sets out the procedures for application of the relevant sections of the PRA, 2014 to be adopted by pension fund operators for the administration of retirement and terminal benefits under the contributory pension scheme.



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 : tgorgas@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



home.kpmg/asiapacifictaxcentre

home.kpmg/tax

social.kpmg



© 2022 Copyright owned by one or more of the KPMG International entities. KPMG International entities provide no services to clients. All rights reserved.

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited (“KPMG International”), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. For more detail about our structure please visit home.kpmg/governance

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.