

KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 4 May 2023



Asia Pacific Tax Developments

Hong Kong (SAR), China

[Consultation document on proposed changes to foreign-sourced income exemption regime \(FSIE\)](#)

The government released a consultation document on the proposed changes to the FSIE regime to include foreign-sourced gains from disposal of assets other than shares and equity interests.

[Developments related to taxation of family offices](#)

There have been a number of important developments related to the taxation of family offices in Hong Kong (SAR), China.

India

[Amnesty scheme for settlement of default in export obligation under Advance Authorization and EPCG schemes](#)

The government, with the introduction of the Foreign Trade Policy, 2023 introduced a special onetime amnesty scheme.

[Determination of arm's length prices](#)

The Supreme Court reversed a batch of High Court decisions in which those courts held that determinations of arm's length prices by the Tribunal were questions of fact and thus not subject to review.

[Domestic company cannot apply a lower rate prevailing under tax treaty over DDT rate while paying dividends to non-resident shareholders](#)

While the Tribunal held that the DDT rate should be restricted to the rate specified in the respective tax treaty, the Mumbai Tribunal referred the matter to the President of the Tribunal.

[Passenger transportation services availed through an e-commerce operator are eligible to Goods and Services Tax \(GST\)](#)

Services of transportation of passengers by metered cabs or auto rickshaws and transportation of passengers by stage carriage other than airconditioned stage carriage are exempted from payment of GST since its inception.

[West Bengal Government introduces dispute settlement scheme](#)

Under the new Settlement of Dispute Scheme all the disputed tax will be settled if application is made on or before 31 May 2023.

Indonesia

[Tax-related incentives for activities in new capital city](#)

The government issued GR-12/2023 to grant various tax incentives for activities in the new capital city of Nusantara and its supporting areas.

Korea

[Customs penalty upheld](#)

The Tax Tribunal upheld a penalty imposed by the customs authority even though the taxpayer voluntarily amended its customs value on its import declaration.

[Criteria for selection of comparable companies](#)

The Tax Tribunal held that the tax authority is entitled to re-assess the arm's length interest rate on a related-party loan.

Malaysia

[Retailers could bear the brunt of Malaysia's proposed luxury tax](#)

Teresa Chong, Head of Consumer Markets at KPMG Malaysia, weighed in on the proposed tax on luxury goods

New Zealand

[Inland Revenue high-wealth individuals research](#)

Inland Revenue released the results of its High-Wealth Individuals Research Project where it calculates the median effective tax rate of HWIs.

Philippines

[Online registration and update system introduced](#)

The Bureau of Internal Revenue issued RMC Nos. 12-2023 and 36-2023 to announce the availability and implementation of registration-related online transactions, functions, and features in the online registration and update system (ORUS).

[Special InTAX: April 2023 Issue 1 | Volume 2](#)

The Fiscal Incentives Review Board issued Advisory No. 06-2023 to clarify the supplemental guidelines on the registration of Registered Business Enterprises in the Information Technology-Business Process Management Sector with the Board of Investments.

[Taxing per diems](#)

The Bureau of Internal Revenue tackled whether per diems given to field engineers should be subjected to withholding tax on compensation or fringe benefits tax.

Singapore

[New enterprise innovation scheme under 2023 budget](#)

Singapore's 2023 budget introduced a new enterprise innovation scheme with tax deductions/allowances to encourage businesses to engage in R&D, innovation, and capability development activities.

Thailand

[Additional requirement for the particulars of e-Tax](#)

The Director-General of the Revenue Department issued the Notification of the Director-General of the Revenue Department on Value-Added Tax No. 247, which outlined the requirements of the particulars required in an e-tax invoice.

[Details of VAT exemption granted to promote data center](#)

The Notification of the Director-General of the Revenue Department No. 251 was issued which provides details on conditions and procedures in relation to the VAT exemption.

[Newly released Royal Act for the Exchange of Information](#)

Thai Cabinet released the Royal Act for the Exchange of Information B.E. 2566 that sets out the general framework for exchanging information including the details of reporting person, reporting information and the submission timeline.

[The Extension of Tax Measures to Support Human Resource](#)

The Cabinet approved three draft Royal Decrees to extend the periods of the tax measures to support human resource development for targeted industries and the relocation of production bases.



Beyond Asia Pacific

[Brazil: Report of tax developments for financial, insurance, real estate sectors](#)

KPMG in Brazil prepared a report that describes various direct and indirect tax developments that may affect companies in the financial, insurance, and real estate sectors.

[Cayman Islands: Updated FATCA and CRS deadlines](#)

The Department for International Tax Cooperation of the Cayman Islands issued an industry advisory release containing various updates to FATCA and common reporting standard deadlines.

[Peru: Updates to CRS reporting deadlines](#)

The customs and tax administration issued updates to the common reporting standard reporting deadlines for the 2023 reporting year.

[Uruguay: Updated CRS submission details](#)

The tax authority issued updates for financial institutions regarding the submission of common reporting standard reports.



TaxNewsFlash by region

Africa

Americas

Europe

United
States



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