



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[Consultation on proposed small business energy incentive](#)

Treasury released for consultation a draft of legislation to introduce the proposed small business energy incentive announced in the Federal Budget 2023-2024.

[Guidance on claiming digital games tax offset](#)

The Australian Taxation Office released a guide on how digital game developers can claim the digital games tax offset for costs incurred in developing digital games in Australia.

[Guidance on residency central management and control test, including new risk-free assessment framework](#)

The Australian Taxation Office in June 2023 released updated guidance on the central management and control test of residency—Draft Practical Compliance Guideline PCG 2018/9DC1—which updates PCG 2018/9.

[Legislation proposing changes to interest limitation rules introduced in Parliament](#)

The legislation has been referred to the Senate Economics Legislation Committee, which is due to report back on 31 August 2023.

[Property tax proposals in 2023-2024 budget \(Australian Capital Territory\)](#)

The Australian Capital Territory government in June 2023 released its 2023-2024 budget focused on housing affordability and related tax reform.



[Tax changes effective July 2023 \(New South Wales\)](#)

The New South Wales government published an update on various tax changes effective in July 2023 such as First Home Buyers Legislation Amendment Act 2023, Revenue Legislation Amendment Act 2023, Property professionals resource center etc.

India

[Amendments to new default tax regime](#)

The Central Board of Direct Taxes issued a notification amending the new default tax regime and introduced a new Form 10-IEA to be filed by taxpayers with business income opting for or withdrawing from the old tax regime.

[Capital gain exempt under Singapore treaty \(High Court decision\)](#)

The Bombay High Court held that capital gain on the sale of debt instruments in India was exempt from tax in India under the India-Singapore income tax treaty because such gain was fully taxable in Singapore, regardless of whether it was repatriated to Singapore.

[Tax residency certificate for claiming tax treaty benefits](#)

KPMG in India prepared reports about recent tax developments such as tax residency certificate for claiming tax treaty benefits and tax withheld at source under liberalized remittance scheme and overseas tour program package.

Japan

[Ministerial Ordinances for Japanese IIR](#)

The ministerial ordinances for the Income Inclusion Rule, which was enacted by virtue of the 2023 tax reform, are promulgated in June 2023.

Mongolia

[Proposed amendments to corporate income tax on thermal and electric power production; other developments](#)

Proposed amendments to the corporate income tax law in connection with thermal and electric power production was submitted to the Parliament of Mongolia in June 2023.

Pakistan

[Direct and indirect tax measures enacted in Finance Bill 2023](#)

The Finance Act 2023 was enacted in June 2023 after passage by the National Assembly and assent of the president.

Philippines

[Distributions on depository receipts taxed as interest, not dividends](#)

The International Tax Affairs Division of the Bureau of Internal Revenue (ITAD-BIR) ruled that cash distributions on Philippine Depository Receipts (PDRs) issued by a domestic corporation to a non-resident foreign corporation were not considered dividends subject to a 15 percent tax rate under Section 28 B)(5)(b) of the Tax Code but were interest subject to a 30 percent tax rate under Section 28(B) of the Tax Code.

Singapore

[India-Singapore tax treaty \(the tax treaty\) provides a 'Limitation of Relief' clause](#)

The tax treaty provides a 'Limitation of Relief' clause which stipulates that India (source state) can provide a tax treaty benefit if the sourced income is subject to tax in Singapore (resident state) with reference to the amounts remitted to or received in Singapore.

Vietnam

[Draft decree on VAT reduction policy](#)

The Ministry of Finance submitted to the government a draft decree on the value added tax (VAT) reduction policy.



Calendar of events

Date	Event	Location
13 July 2023	Tax governance in the age of ESG: Harnessing the power of Tax technology and transformation	Singapore
13 July 2023	Setting sail on modern ESG: Navigating the opportunities and challenges in shipping	Singapore



Beyond Asia Pacific

[Romania: Amendments to public country-by-country reporting rules](#)

The Ministry of Public Finance issued Order 1730/2023 (published in the Official Journal of Romania no. 559/2023), amending Order No. 2048/2022, which implemented EU Directive 2021/2101 on public country-by-country (CbC) reporting.

[UAE: Updated FATCA, CRS guidance and policy manual](#)

The Financial Services Regulatory Authority of Abu Dhabi Global Market in June 2023, issued an updated version of the guidance and policy manual under the FATCA and common reporting standard regimes.



TaxNewsFlash by region

Africa

Americas

Europe

United States



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