



# KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 25 July 2023



## Asia Pacific Tax Developments

### Australia

#### [Draft instrument on correcting fuel tax errors](#)

The Australian Taxation Office released a draft legislative instrument that allows the correction of fuel tax errors made in a tax period, to be done in a later tax period in specified circumstances.

#### [Guidance on claiming research and development tax incentives](#)

The Australian Taxation Office issued an advisory on claiming research and development tax incentives following the recent decision of the Federal Court in T.D.S Biz Pty Ltd v. Commissioner of Taxation [2023] FCA 710.

### India

#### [Clarifications pursuant to the 50th GST Council meeting](#)

The 50th GST Council meeting was held in July 2023 in New Delhi. At this meeting, the GST Council made various recommendations which included trade facilitation measures.

#### [India Tax Konnect](#)

KPMG in India published "India TaxConnect" in July 2023, which included information on direct tax, Foreign Exchange Management Act, 1999 and indirect tax.



## [Payments on account of seconded employees not taxable as "fees for technical services" \(tribunal decision\)](#)

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The Delhi Bench of the Income-tax Appellate Tribunal held amounts paid by the taxpayer, an Indian company, to its UK holding company on account of seconded employees were not taxable as "fees for technical services" because the taxpayer was the legal and economic employer of the employees.

## [Payment to the Malaysian group company for granting access to the SAP system software is not taxable as royalty under the Income-tax Act](#)

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The High Court concurred with a Tribunal's decision and held that the payment received by a Malaysian company from the Indian group company for providing the SAP system is not taxable as royalty.

## Malaysia

### [Summary of income and indirect tax developments \(July 2023\)](#)

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KPMG in Malaysia prepared a monthly summary of tax developments that includes discussions of income tax, stamp duty (tax), and indirect tax.

## Thailand

### [Guidance for taxpayers within scope of Pillar Two global minimum tax rules](#)

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The Board of Investment (BOI) released BOI notification No. 1/2566 providing guidance to Thai taxpayers identified as generally being within scope of the base erosion and profit shifting (BEPS) Pillar Two global minimum tax rules.

### [The Future of Tax](#)

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KPMG in Philippines issued an article about the future of tax such as predictions for 2030, globalization and geopolitics, data and transparency, promoting innovation and building a sustainable world.

## Vietnam

### [Proposed repeal of "on-the-spot" export and import customs procedures](#)

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The General Department of Customs has proposed to repeal all regulations relating to the "on-the-spot" export and import procedures that have been commonly used and play an important part in the processing trade models and manufacturing ecosystem of many Vietnamese manufacturers and foreign principal traders.



# Significant International Tax Developments

## [OECD: Public consultation document on Amount B under Pillar One following outcome statement on BEPS 2.0](#)

OECD issued a public consultation document on Amount B under Pillar One part of the ongoing work of the OECD/G20 Inclusive Framework on base erosion and profit shifting (BEPS) in implementing the two-pillar solution to address the tax challenges arising from the digitalization of the economy—following release of the agreed outcome statement on BEPS 2.0.

## [OECD: Report on BEPS 2.0, including new guidance on Pillar Two rules](#)

OECD released the OECD Secretary-General Tax Report to G20 Finance Ministers and Central Bank Governors. The Report follows the agreement last week by 138 countries and jurisdictions on an Outcome Statement.



## Calendar of events

Date	Event	Location
3 August 2023	<a href="#">e-Invoicing: The digital way forward</a>	Virtual
2 August 2023	<a href="#">Are you prepared for the looming BEPS 2.0 tax era?</a>	Singapore



## Beyond Asia Pacific

### [Bahrain: Introduction of corporate income tax confirmed](#)

The Bahrain Minister of Finance and National Economy in May 2023, confirmed the introduction of corporate income tax in Bahrain during the weekly parliamentary session. Bahrain is expected to implement a standard corporate income tax regime similar to other jurisdictions.

## [Dominican Republic: Draft law modifying tax assessment, audit and payment procedures](#)

The Dominican executive branch filed a draft law before the Congress that would modify certain tax assessment, audit and payment procedures with respect to categories of taxes such as income tax, value added tax, selective consumption tax, asset tax and others.



## TaxNewsFlash by region

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Africa

Americas

Europe

United  
States



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