



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 22 August 2023



Asia Pacific Tax Developments

Australia

[Review of potential carbon border adjustment mechanism \(CBAM\)](#)

The Australian government will be conducting a review of whether a CBAM, or other carbon leakage policy options, are suitable for Australia.

[Targeted consultation on implementation of Pillar Two global minimum tax rules](#)

The Australian Taxation Office is undertaking a targeted consultation with significant global entities and their advisors on the implementation of the OECD global anti-base erosion (GloBE) rules under Pillar Two in Australia, with a focus on potential administration issues.

Cambodia

[Implementation of Value Added Tax \(VAT\) on imported cigarettes](#)

Guidance from the Ministry of Economy and Finance—effective August 2023—provides for transparent and consistent implementation of VAT for enterprises that import or distribute imported cigarettes.

China

[US Bureau of Industry and Security \(BIS\), the Department of Treasury's Office of Foreign Assets Control \(OFAC\) and Department of Justice \(DOJ\) jointly issue a compliance note on voluntary self-disclosure](#)

A compliance note was released in July 2023, by the US BIS, OFAC, and the DOJ's National Security Division (NSD). The note summarizes the process of voluntary self-disclosure by companies for potential violations relating to export controls and sanctions that may affect national security.

Korea

[Tax reform proposal for 2023, implications for foreign invested companies](#)

The Ministry of Economy and Finance in July 2023 announced the tax reform proposal for 2023 that focuses on boosting the economy, supporting recovery of public welfare, and preparing for future advancement.

[Tax reform proposal for 2023, changes to Pillar Two and transfer pricing documentation rules](#)

The Ministry of Economy and Finance in July 2023 announced the tax reform proposal for 2023, which includes proposed changes to the Korean Pillar Two global minimum tax rules and acceleration of the deadline for submitting certain transfer pricing documentation.

Malaysia

[Navigate the minefields of generative AI](#)

AI provides a competitive advantage with analysis assistance, such as forecasting tax scenario outcomes. It can also enhance the efficacy of data processing on technical issues such as tax legislation and legislative changes to tax laws.

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

KPMG in Malaysia prepared a monthly summary of tax developments that includes discussions of income tax and indirect tax.

[The e-invoicing transition: Is Malaysia ready?](#)

In the government's continuous efforts to advance tax governance in Malaysia, the Inland Revenue Board of Malaysia recently released the e-invoicing guidelines, Version 1.0.

Philippines

No more “ Value Added Tax (VAT) nga ba ang hirap?” with refined VAT refund guidelines

In an article published by the International Monetary Fund in 2021 entitled “How To Manage Value-Added Tax Refunds”, VAT is described as “one of the most important taxes in the world, both in terms of its global adoption and revenue-generating potential” and that it is an “attractive tax” because of its potential for generating significant government revenue and intrinsic self-enforcement capacity.

Value Added Tax (VAT) refund guidelines

The Bureau of Internal Revenue issued two guidance documents—Revenue Memorandum Circular No. 71-2023 and Revenue Memorandum Order No. 23-2023—that introduced significant changes in the document requirements and procedures for VAT refund claim applications.

Singapore

Taxing gains on sale or disposal of foreign assets

The Ministry of Finance in June 2023 released 33 proposed legislative amendments to the Income Tax Act 1947 for public consultation, including introduction of section 10L to tax gains from the sale or disposal of any immovable or movable property situated outside Singapore that are received in Singapore by businesses without economic substance in Singapore.



Calendar of events

Date	Event	Location
18 August 2023	Tax audit trends, investment regulations and customs inspections	Cambodia
22 August 2023	Unlocking tax opportunities: Breakfast briefing for financial services	Singapore
24 August 2023	A guide to immigration and individual tax matters of mobile employees	Virtual
31 August 2023	Key Updates on the New LoT and VAT on E-commerce	Cambodia
4 September 2023	New TP horizon: Transition or transformation?	Virtual
7 September 2023	KPMG-TAFTAC: Key Trends on Investment Regulations and TP, Tax & Customs Audit	Cambodia



Beyond Asia Pacific

[Canada: Draft legislation includes Pillar Two rules and revised DST and EIFEL rules](#)

The Department of Finance on 4 August 2023 released new draft legislation for consultation that includes outstanding 2023 federal budget measures, technical amendments, and revised draft legislation for certain previously announced measures, including Pillar Two global minimum tax rules and revised digital services tax (DST) and excessive interest and financing expenses limitation (EIFEL) rules. .

[Denmark: Increase in VAT audits of nonresident digital services providers](#)

Tax professionals in Denmark have observed a recent uptick in value added tax (VAT) audits initiated by the Danish Tax Agency aimed at nonresident digital services providers.



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 Strategy & Growth - Legal Services | Asia Pacific Chief
Operating Officer - Tax & Legal
E : brahmasharma@kpmg.com.sg

Service Line Specialists

M&A Tax



Matt Ervin
Partner, KPMG Australia
E : mattervin@kpmg.com.au

ESG



Jenny Wong
Director, KPMG Australia
E : jywong@kpmg.com.au

Global Mobility Services



Murray Sarelius
Partner, KPMG China
E : murray.sarelius@kpmg.com

Indirect Tax Services



Kenneth Leung
Partner, KPMG China
E : ky.leung@kpmg.com



KPMG Asia Pacific Tax Centre Contacts

International Tax



Sunny Leung
Partner, KPMG China
E : sunny.leung@kpmg.com

Legal Services



Hanim Hamzah
Executive Director, KPMG Singapore
E : hanimhamzah@kpmg.com.sg

Tax Dispute Resolution and Controversy



Angelina Lagana
Partner, KPMG Australia
E : alagana@kpmg.com.au

Tax Policy



Conrad Turley
Partner, KPMG China
E : conrad.turley@kpmg.com

Tax Reimagined, including Global Compliance Management Services and Financial Services



Jenny Clarke
Partner, KPMG Australia
E : jeclarke@kpmg.com.au

Transfer Pricing Services



Tony Gorgas
Partner, KPMG Australia
E : tgorgas@kpmg.com.au



KPMG Asia Pacific Tax Centre Contacts

Market Sector Specialists

Asset Management



Darren Bowdern
Partner, KPMG China
E : darren.bowdern@kpmg.com

Banking



John Timpany
Partner, KPMG China
E : john.timpany@kpmg.com

Energy & Natural Resources



Gabby Burcul
Partner, KPMG Australia
E : gabbyburcul@kpmg.com.au

Insurance



John Salvaris
Partner, KPMG Australia
E : jsalvaris@kpmg.com.au

Sovereign Wealth and Pension Funds



Minh Dao
Partner, KPMG Australia
E : mdao@kpmg.com.au



[Kpmg.com/asiapacifictaxcentre](https://kpmg.com/asiapacifictaxcentre)

kpmg.com/tax

social.kpmg



© 2023 Copyright owned by one or more of the KPMG Asia Pacific entities. KPMG Asia Pacific entities provide no services to clients. All rights reserved.

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

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 kpmg.com/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. .