



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[Amendments to new interest limitation / thin capitalization rules bill referred to Senate committee](#)

The Senate agreed to the opposition's amendments to refer the federal government's amendments to the bill containing the new interest limitation / thin capitalization rules to the Senate Economics Legislation Committee.

[Guidance on tax treatment of off-market share buy-backs](#)

The Australian Taxation Office published guidance on the changes to the tax treatment of off-market share buy-backs offered by listed public companies that were announced in the October 2023 Budget and have been enacted into law.

[Consultation on superannuation retirement phase](#)

The federal government released a discussion paper for consultation on improving the retirement phase of superannuation.

[Changes in new taxation laws including vacant residential land tax \(Victoria\)](#)

Victoria's new State Taxation Acts and Other Acts Amendment Bill 2023 in November 2023 passed both Houses of State Parliament with several amendments.

[Consultation on system for determining charities eligible to receive tax-deductible donations](#)

The Productivity Commission released a draft report of its review of philanthropic giving in Australia in which it proposed an overhaul of the system that determines which charities are eligible to receive tax-deductible donations.



[Consultation on 2024-2025 budget](#)

The government opened consultation for its 2024-2025 budget.

[Taxpayer liable for withholding tax on embedded royalties, application of diverted profits tax DPT \(Federal Court decision\)](#)

The Federal Court held that the taxpayer, an American soft drink company, was liable for royalty withholding tax on payments made by a third party to affiliates of the taxpayer in relation to concentrate supplied to the third party by such affiliates under an exclusive bottling agreement.

[Tax treaty with Portugal signed](#)

Australia's Department of the Treasury issued a release announcing that officials from Australia and Portugal in November 2023 signed a new tax treaty.

[Proposed bills related to superannuation concessions, Australian Charities and Not-for-profits Commission \(ACNC\) secrecy reforms, payments regulatory framework](#)

The federal government introduced two bills to Parliament that seek to introduce several measures related to superannuation concessions, ACNC secrecy reforms, foreign financial service provider licensing, and the payments regulatory framework.

Hong Kong (SAR), China

[Draft legislation on expansion of Foreign-Sourced Income Exemption \(FSIE\) regime to asset disposal gains passed by Legislative Council](#)

Draft legislation expanding the existing FSIE regime to cover foreign-sourced gains from disposal of assets other than equity interests was passed by the Legislative Council in November 2023.

India

[No obligation to withhold tax on notional income](#)

KPMG in India has prepared reports about the tax developments in India.

Malaysia

[Tax reforms – How are people, industries impacted](#)

Soh Lian Seng, Head of Tax from KPMG in Malaysia, discusses the impacts of taxes on certain sectors and how they are perceived by the public.

Pakistan

[“Windfall profits tax” on banks](#)

Under the new ordinance, banks are obligated to pay 40% additional tax on windfall income, profit, and gains arising during calendar years 2021 and 2022 (tax years 2022 and 2023) by November 2023.

Philippines

[InTAX: December 2023](#)

KPMG in Philippines published an article discussing the recent amendments with regards to Creditable Withholding Tax and Amnesty Applications.

Thailand

[Further guidance on foreign-sourced income brought into Thailand by Thai tax residents](#)

The Thai Revenue Department in November 2023 issued further guidance—Departmental Instruction regarding the individual income tax implications for foreign-sourced income brought into Thailand by Thai tax residents.



Significant International Tax Developments

[KPMG report: Organization for Economic Cooperation and Development \(OECD\) official provides update on expected transfer pricing guidance](#)

Senior Transfer Pricing Advisor at the OECD, speaking at the KPMG-sponsored TP Minds West Coast conference, discussed the ongoing transfer pricing-related work at the OECD and what the OECD will be focusing on in 2024.



Calendar of events

Date	Event	Location
9 January 2024	Understanding employer’s tax obligations and embracing new way of working For event queries, please email to zulaihaomar@kpmg.com.my	Malaysia



Beyond Asia Pacific

[Belgium: Draft law implementing Pillar Two global minimum tax adopted by Parliament](#)

The draft law on implementation of the Pillar Two global minimum tax for multinational enterprises and large-scale domestic groups was adopted by the Parliament.

[Canada: First reading of second 2023 federal budget bill includes EIFEL, hybrid mismatch, and DST rules](#)

Bill which includes certain outstanding 2023 federal budget measures, 2023 federal economic update measures and other previously announced changes and technical amendments, received first reading in the House of Commons in November 2023.



TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



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