



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 11 June 2024



Asia Pacific Tax Developments

Australia

[House passes legislation clarifying “exploration for petroleum,” updating transfer pricing guidance](#)

The Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Bill 2024 passed the House of Representatives, with amendments.

Hong Kong (SAR), China

[List of common errors in AEOI reporting published](#)

The Inland Revenue Department published a list of common errors made by financial institutions in their reporting on the automatic exchange of information (AEOI) portal for FATCA and (CRS) reporting.

India

[Guarantee charges received by foreign company not considered “interest,” taxable as “other income”](#)

The Delhi High Court issued a decision on the taxability of guarantee charges received by a foreign company from its Indian subsidiaries.

[Taxation of foreign branch at higher rate not prevented by non-discrimination article of treaty \(High Court decision\)](#)

The Calcutta High Court ruled that taxing a branch of a Netherlands bank at a higher corporate tax rate than a domestic company is not prevented under the India-Netherlands income tax treaty.



Japan

[Explanation of guidance on income inclusion rule, associated forms and schedules](#)

The National Tax Agency released an explanation of its guidance relating to the income inclusion rule, which will apply to Japanese companies for fiscal years beginning on or after 1 April 2024.

[Updated CRS FAQs](#)

The National Tax Agency updated its CRS FAQs to revise Q.5, "Please provide an overview of the reporting system for automatic exchange of financial account information regarding non-residents."

Malaysia

[Tax reforms for SMEs in Malaysia: What you need to know](#)

In an interview with the Association of Chartered Certified Accountants (ACCA) Malaysia, insights from Ng Sue Lynn, Head of Indirect Tax at KPMG in Malaysia, were captured by multiple media outlets.

New Zealand

[Budget 2024 - tax thresholds changes and impacts for employers](#)

The 2024 Budget contained the Government's changes to personal tax thresholds and other tax relief measures (such as an increase in the abatement threshold for the independent earner tax credit and changes to Working for families and other in-work tax credits).

[Budget 2024](#)

New Zealand's 2024 budget was released on May 30, 2024.

Taiwan

[Deficiencies found and mitigation steps in implementing CRS](#)

The Ministry of Finance issued a press release urging financial institutions to adhere to the "Measures for Financial Institutions to Implement Joint Reporting and Due Diligence Operations".



Significant International Tax Developments

[OECD: Updated International Compliance Assurance Programme \(ICAP\) FAQs](#)

The Organisation for Economic Cooperation and Development published expanded FAQs on the International Compliance Assurance Programme (ICAP), a multilateral risk assessment program for transfer pricing and permanent establishment issues.

[OECD: Updated guidance on implementation of country-by-country reporting clarifies reporting of dividends](#)

The Organisation for Economic Cooperation and Development OECD has issued an updated version of “Guidance on the Implementation of Country-by-Country Reporting: BEPS Action 13”.

[OECD: Updated FAQs under CRS regime](#)

The Organisation for Economic Cooperation and Development issued an updated version of its “frequently asked questions” (FAQs) under the common reporting standard (CRS).

[Statement by co-chairs of Inclusive Framework on BEPS indicates final negotiations on Pillar One nearing completion](#)

The Organisation for Economic Cooperation and Development released a statement by the co-chairs of the Inclusive Framework on Base Erosion and Profit Shifting following the 16th meeting of the IF.

[KPMG report: Assessing the impact of Amount B](#)

The OECD/G20 Inclusive Framework (IF) on Base Erosion and Profit Shifting released a report on Amount B, the OECD’s initiative to simplify and streamline the application of the arm’s length principle to baseline marketing and distribution activities.



Calendar of events

Date	Event	Location
12 June 2024	Unlocking supply chain transformation: navigating the tax & legal terrain	Singapore
20 June 2024	Decoding US tax: critical considerations for compliance and planning	Singapore



Beyond Asia Pacific

[Cyprus: Tax treatment of premiums and medical plans](#)

The Cyprus tax department issued Circular 3/2024 relating to the tax treatment of premiums and medical plans.

[Germany: Transactions within VAT groups may be VAT-exempt; other VAT developments](#)

The Advocate General of the CJEU issued an opinion that the treatment of transactions between entities within a VAT group as VAT-exempt under the German VAT grouping rules is consistent with Directive 77/388/EEC.



TaxNewsFlash by region

Africa

Americas

Europe

United
States



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