



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 2 July 2024



Asia Pacific Tax Developments

Australia

[Legislation on taxation of general insurers passes Parliament](#)

Parliament in June 2024, passed Treasury Laws Amendment Bill 2023, which would reduce the income tax compliance burden on the general insurance industry caused by the misalignment between the income tax law and the adoption of the new Australia Accounting Standard Board 17.

[Taxpayer not liable for withholding tax on embedded royalties or subject to Diverted Profits Tax \(DPT\) \(Full Federal Court decision\)](#)

The Full Federal Court found in favor of the taxpayer in its appeal from the court's earlier judgment in PepsiCo, Inc v. Commissioner, in which it held that the taxpayer was liable for withholding tax on embedded royalties and opined that if the taxpayer were not liable for royalty withholding tax, the DPT would apply.

[Guidance on when tax authority may disregard operation of "Division 7A"](#)

The Australian Taxation Office released an advisory explaining when the Commissioner of Taxation may disregard the operation of Division 7A or allow a deemed dividend to be franked.

[Housing and employment support bill passes parliament \(Tasmania\)](#)

The Tasmanian government's taxation bill, which includes an increase in first home buyer stamp duty concession and a tax-free threshold on land tax, has passed State Parliament.

[Tax measures in 2024 budget \(New South Wales\)](#)

The New South Wales budget for 2024 was delivered by the Treasurer in June 2024 and includes a number of tax measures previously announced.



Hong Kong (SAR), China

[Proposals to grant tax deduction for lease reinstatement costs, remove time limit for claiming building allowances](#)

The Hong Kong (SAR), China government announced in the 2024/2025 budget speech that it will introduce measures to grant a tax deduction for lease reinstatement costs, subject to certain conditions and remove the 25-year time limit for claiming the commercial building allowance and industrial building allowance.

India

[Recommendations of Goods and Service Tax \(GST\) Council meeting](#)

Recommended changes to the GST law decided at the 53rd GST Council meeting held in June 2024 include waivers of interest and penalty in certain cases if tax is paid before 31 March 2025 and extended time limit for availing of credit in the initial years after the GST rollout.

Malaysia

[Tax Developments](#)

KPMG in Malaysia prepared a report on the latest tax developments in Malaysia.



Significant International Tax Developments

[KPMG report: New Amount B guidance expands on definitions](#)

The OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting in June 2024, published additional guidance 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.

[KPMG report: Further guidance on Pillar Two GloBE model rules](#)

KPMG prepared a report that provides initial observations and analysis on the new guidance and describes additional Pillar Two guidance expected this year.

[KPMG report: Accounting for income tax implications of Pillar Two GloBE top-up taxes](#)

KPMG prepared a report that discusses how implementing the new rules and determining the appropriate accounting impacts may be challenging.



Beyond Asia Pacific

[Austria: Draft legislation amending tax law](#)

The government's draft legislation for the 2024 Tax Amendment Act was published in June.

[Romania: New regulation expands e-invoicing mandate to B2C transactions](#)

The Romanian Ministry of Finance in June 2024, issued Urgent Ordinance 69/2024 to broaden the country's electronic invoicing mandate to include business-to-consumer transactions.



TaxNewsFlash by region

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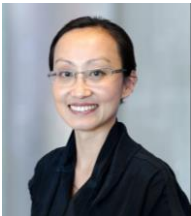
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