



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[Interpretation of 'ordinary hours of work' for superannuation purposes](#)

The Full Court of the Federal Court recently delivered its judgment and determined the proper interpretation of 'ordinary hours of work' and 'ordinary time earnings' in the Superannuation Guarantee (Administration) Act 1992 (SGA Act).

[New whistleblower protections apply from 1 July 2019](#)

The major provisions of the Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019 commenced operation on Monday 1 July 2019. Under the new law, for the first time in Australia, corporate whistleblowers will be able to make anonymous protected disclosures.

[Origin waiver for importers](#)

Australian Border Force has now implemented one of its long-awaited benefits for Trusted Traders.

China

[Individual income tax subsidy available in Greater Bay Area](#)

The Department of Finance of Guangdong Province and the Guangdong Provincial tax authority jointly issued Yue Caishui [2019] No. 2 (22 June 2019) as guidance related to an individual income tax subsidy available for certain individuals working in the "Greater Bay Area."



India

[Indian subsidiary of US does not constitute a permanent establishment under India-US tax treaty](#)

The Mumbai Bench of the Income-tax Appellate Tribunal ('the Tribunal') held that an Indian subsidiary of a U.S. tax group was not a permanent establishment in India under a provision of the India-US tax treaty as the taxpayer neither had a "fixed place" nor did it constitute a service or agency PE.

[Sale of "compulsory convertible debentures" not colourable device](#)

The Mumbai Bench of the Tribunal held that transactions conducted by the taxpayer concerning the sale of "compulsory convertible debentures" to a related concern that resulted in a short-term capital loss was genuine and can not be construed as a "colourable device" to defraud the tax administration.

Thailand

[Draft regulatory proposals for transfer pricing documentation](#)

The Ministry of Finance in June 2019 submitted to the Thai Cabinet a draft ministerial regulation concerning information required for transfer pricing documentation submissions. The draft ministerial regulation would be intended to implement measures under Thailand's transfer pricing law (finalized in 2018).

[Expanded exemptions from foreign business license requirements](#)

A new ministerial regulation (No. 4) expands the exemptions for the requirement for a foreign business license for certain foreign entities providing services to related companies.

Vietnam

[Taxation of e-commerce transactions, remote digital sales](#)

The National Assembly of Vietnam in June 2019 passed a new tax administration law—one that may affect many non-resident enterprises selling goods and services into Vietnam via digital and e-commerce business models.



Significant International Tax Developments

[OECD: Update on tax challenges arising from digitalisation of economy](#)

The Organisation for Economic Cooperation and Development (OECD) released details of the next steps to be taken in studying several possible tax proposals to revise geographic allocation of taxation rights through amended profit allocation and nexus tax rules.

[OECD: Updated exchange framework, XML schemas for exchange of information](#)

The OECD announced the release of an international administrative and operational framework for the exchange of information collected under the OECD's model mandatory disclosure rules—that is, the framework to support the automatic exchange of information collected regarding the common reporting standard (CRS) regime.



Beyond Asia Pacific

[Costa Rica: Income tax regulations; reduced VAT rate for pharmaceuticals](#)

The income tax regulations in Costa Rica were updated in late June 2019. There are measures relating to, among other topics, dividend distributions, the tax treatment of real estate capital, and transfer pricing.

[United States: Final regulations - Truncated TINs for wage, tax statements furnished to employees](#)

The U.S. Treasury Department and IRS today released for publication in the Federal Register final regulations (T.D. 9861) reflecting regulatory changes to allow the use of truncated social security numbers—that is, "truncated taxpayer identification numbers" (TTINs)—on statements that employers furnish to their employees, specifically on Form W-2.



TaxNewsFlash by region

For the latest tax developments from other regions see the following links:

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



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