



# KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 1 August 2019



## Asia Pacific Tax Developments

### Australia

#### [Bill proposes solution to Company directors who sit on more than one board](#)

KPMG Australia look into the proposed solution for an issue often faced by company directors sitting on more than one board.

#### [Hidden cost in imported tissues and other timber products](#)

Importers must take due diligence to ensure the products they are importing are not manufactured from illegally logged timber.

#### [Operating costs for purposes of mineral royalty liability](#)

The Northern Territory Supreme Court held that “three heads of expenditure” incurred in relation to mining activities were deductible for the purposes of calculating mineral royalty liability under section 10 of the Mineral Royalty Act 1982 (NT) (MRA).

#### [R&D activities, underground coal gasification pilot facility \(appellate court decision\)](#)

The Full Federal Court — in a case concerning research and development (R&D) activities—allowed an appeal filed by the taxpayer and remanded (remitted) the case back to the Administrative Appeals Tribunal.



# India

## [Circular update – Amendment to the provisions of Maharashtra Amnesty Scheme](#)

The Finance Minister of Maharashtra announced certain amendments to the state's tax amnesty plan.

## [FAQs on levy of Kerala flood cess](#)

The government of Kerala state released a set of "frequently asked questions" (FAQs) concerning a flood "cess" (a term for local taxation in India) regarding flooding that occurred in the state in August 2018.

## [Government subsidies for capital investment in backward areas are capital receipts and thus to be excluded while computing book profits under the provisions of MAT](#)

The Calcutta High Court held that interest and power subsidies are capital in nature and thus are to be excluded for purposes of computing book profits under the provisions of minimum alternate tax.

## [GST rate reduction, electric vehicles](#)

India's Goods and Services Tax (GST) council announced a reduction in the GST rate for electric vehicles.

## [Non-speaking order passed by the adjudication authority set-aside – Bombay High Court](#)

The High Court of Bombay directed an adjudicating authority to re-consider an assessment order challenge, finding that the adjudicating order had not dealt with the submission made by the taxpayer.

## [Taxpayer is allowed to file a revision petition against an intimation to claim a tax benefit which was not claimed in the return of income](#)

The Delhi High Court held that the non-resident company was allowed to file a revision petition under section 264 of the Income-tax Act, 1961 to claim the "most favored nation" benefit under the India-Spain income tax treaty to rectify the mistake.

# Japan

## [Export controls for certain goods destined for South Korea](#)

Japan's Ministry of Economy Trade and Industry (METI) in early July 2019 issued a notice advising the trade community of more stringent procedures with regard to certain controlled items and their relevant technologies destined for South Korea.

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# Mauritius

## [Tax measures enacted in Finance Act 2019](#)

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The Finance (Miscellaneous Provisions) Act 2019 (“the Act”) recently received the President’s assent. This alert covers the key tax measures contained in the Act, the dates they become effective, and views.

# New Zealand

## [Update on digital services tax consultation](#)

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The digital economy poses a number of opportunities and challenges for governments and regulators, and New Zealand is no exception. The New Zealand government recently put out a discussion document with 2 broad questions on digital economy.

# Singapore

## [CRS guidance is finalized](#)

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The Inland Revenue Authority of Singapore has finalized guidance under the common reporting standard.

# Thailand

## [Customs voluntary disclosure program extended to 30 April 2020](#)

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The Thai customs authorities announced that a customs voluntary disclosure program has been extended to 30 April 2020.

# Vietnam

## [Taxation of e-commerce transactions, implications for banks](#)

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New tax administration law in Vietnam may affect many non-resident enterprises selling goods and services into Vietnam via digital and e-commerce business models. The law will also affect the banks and the financial sector because it will be the duty of banks and the financial sector to identify transactions subject to tax and to collect tax.

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## Beyond Asia Pacific

### [France: Digital versions of invoices allowed, tax recordkeeping purposes](#)

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Taxpayers are now allowed to prove expense receipts using a computerized version of the receipts for purposes of determining the tax base for tax and social security contributions, as of 1 July 2019.

### [United States: IRS notifies virtual currency owners to pay back taxes, file amended returns](#)

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The IRS issued a release reporting that it has begun sending letters to taxpayers with virtual currency transactions who potentially failed to report income and pay the resulting tax from virtual currency transactions or did not report their transactions properly.



## TaxNewsFlash by region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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