



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[New MAP guidelines, arbitration arrangements for resolving international tax disputes](#)

The Australian Taxation Office (ATO) updated the guidelines for the mutual agreement procedure and arbitration arrangements. The updated guidelines reflect modifications made (or to be made) in some of Australia's tax treaties made under the "multilateral instrument".

[Transfer pricing guidance; ATO response to COVID-19](#)

Changes being made to transfer pricing policies in a coronavirus (COVID-19) environment are coming under closer scrutiny by the ATO.

[Updated information for country-by-country reporting 2020](#)

The ATO updated the instructions for taxpayers regarding their country-by-country (CbC) reporting obligations for 2020.



Cambodia

[\(1\) Royal Code \(Kram\) – State of Emergency Law; \(2\) Health – Translation into the Khmer language of all packages and labels of food products](#)

The law on the management of the nation in a state of emergency was promulgated on 29 April 2020. The law refers to a state of emergency as being a response to an immediate risk to the nation. The law provides for management of the nation under a state of emergency in order to protect national security, public order, the lives and health of citizens as well as property and the environment.

[Further government Tax reliefs](#)

The Royal Letter No. 13052, to provide internal instructions to other tax administration units on the implementation of the Government's announcement of a 4th round of reliefs for the private sector, the General Department of Taxation issued tax reliefs for airline companies, certain tourist-related enterprises and banking and microfinance institutions.

[Labor – Notification on the postponement of back pay of seniority payment before the year 2019 and the new seniority payment in the year 2020](#)

Ministry of Labor and Vocational Training ("MLVT") – Notification No. 018/20 dated 02 June 2020 on the postponement of back pay of seniority payment before the year 2019 and new seniority payment in the year 2020.

[Relief concerning e-filing implementation, monthly tax declarations \(COVID-19\)](#)

The tax authority issued guidance (No. 14812 GDT, dated 16 June 2020) to allow taxpayers more time to comply with the implementation requirements for e-filing of monthly tax declarations - relief provided in response to the coronavirus (COVID-19) pandemic.

[Required use of Khmer language on food packaging](#)

The Ministry of Health issued a notice (No. 2772 dated 22 May 2020) requiring all packaging and labels of food products to be translated into the Khmer language.

[VAT on sales of long-term tangible assets](#)

The General Department of Taxation issued guidance concerning Value added tax (VAT) on sales of long-term tangible assets or in certain instances when business stop using these long-term assets.

China

[Plans aimed to develop free-trade port, Hainan island](#)

The Chinese government on 1 June 2020 released a master plan for policies that would support the creation and development of the Hainan free-trade port. The goal is to develop Hainan island (located on China's south coast) into a globally significant free-trade port by 2050.

India

[Extensions of indirect-related tax periods \(COVID-19\)](#)

The Central Board of Indirect Taxes and Customs announced extensions of the periods for "e-way bills" issued during the period of lockdown and of the timeline for issuing refund orders, both in response to the COVID-19 pandemic.

[GST on remuneration paid to directors-employees](#)

The Central Board of Indirect Taxes and Customs issued a circular clarifying when goods and services tax will not be levied on the portion of remuneration paid to directors when classified as salary in the company's records.

[Payment of guarantee fee to a group entity is not taxable under the India-Netherlands tax treaty](#)

The Delhi Bench of the Income-tax Appellate Tribunal (the Tribunal) held that in the absence of provision of capital and any debt claim between the parties, the guarantee fees paid by the taxpayer to the holding company cannot be held as interest under the India- Netherlands tax treaty.

[Supreme Court dismisses petition filed against the High Court direction to re-open the portal for TRAN-1 submission](#)

The Hon'ble Supreme Court have recently dismissed special leave petition filed against the order of the Delhi High Court directing to either re-open the portal to enable the filing of TRAN-1 electronically or to accept the forms manually.

[The Division Bench of the Mumbai Tribunal refers the matter with respect to the amendment curtailing the powers of the Tribunal on stay matters to a Larger Bench](#)

The Division Bench of the Mumbai Tribunal has referred to a Larger bench on the issues arising out of amendment introduced in the Budget 2020 that sought to curtail the powers of the Tribunal in stay matters.

[The Mumbai Tribunal issues guidelines for email communication in connection with the judicial matters](#)

Due to COVID-19 outbreak, various Courts/Tribunal have taken an appropriate measure to ensure safety and welfare of all the stakeholders. Therefore, Courts/Tribunal's hearings are happening in digital mode. In view of this, the Mumbai Tribunal has issued guidelines for e-mail communication in connection with the judicial matters.

Japan

[New Tax Measures for COVID-19](#)

The laws which form the basis for new tax measures introduced by the 'Emergency Economic Measures for Covid-19' were promulgated on 30 April 2020.

[Overview of tax relief measures for companies \(COVID-19\)](#)

Measures provide tax relief for companies in response to the economic challenges of the COVID-19 pandemic.

Malaysia

[Expedited GST refunds](#)

The Ministry of Finance in June 2020 announced that the Royal Malaysian Customs Department is committed to expediting goods and services tax (GST) refunds, with payments expected to be made from 22 June 2020 and targeted to be completed by December 2020.

[National Economic Recovery Plan](#)

Prime Minister, Tan Sri Muhyiddin Yassin, has launched the National Economic Recovery Plan (“NERP”) worth RM35 billion. Bearing the theme of “Building the Economy Together”, the NERP aims to aid Malaysia’s economic recovery through empowering the people, propelling businesses and stimulating the economy.

[Service Tax Policy 10/2020](#)

The Royal Malaysian Customs Department has issued the Service Tax Policy 10/2020 (as at 17 April 2020) with regards to the Service Tax exemption on digital services provided in relation to banking and financial services.

New Zealand

[Five questions to ask in times of change](#)

Five questions for family businesses to ask themselves in times of change.

Pakistan

[Budget 2020 and tax proposals](#)

Tax measures proposed in the Finance Bill 2020 would affect certain income tax, indirect tax, and customs provisions.

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Singapore

[Incorporation of dental practice; legitimate or tax avoidance?](#)

The Income Tax Board of Review upheld the findings of the Comptroller of Income Tax that the taxpayer had unduly derived a tax benefit from forming a corporation of a dental practice and invoked the anti-avoidance provisions.

South Korea

[Amendments to CRS rules](#)

South Korea issued four amendments to the CRS Legislations

Taiwan

[Updated CRS user guides](#)

Taiwan's tax authorities have updated two user guides under the CRS regime.

Vietnam

[Taxation of e-commerce, withholding rules effective 1 July 2020](#)

New withholding tax rules applicable to non-resident enterprises selling goods and services into Vietnam via digital and e-commerce supply chains are effective in Vietnam beginning 1 July 2020.



Significant International Tax Developments

[Statement about ongoing negotiations, taxation of digital economy](#)

The Organisation for Economic Cooperation and Development (OECD) released a statement from the OECD Secretary-General in response to recent statements and exchanges regarding ongoing negotiations to address the tax challenges of digitalisation of the economy.



Beyond Asia Pacific

[Nigeria: VAT payable by telecommunications operators](#)

The Federal Inland Revenue Service and the Nigerian Communication Commission recently signed a “memorandum of understanding” (MOU) concerning value added tax (VAT) and other tax liabilities of telecommunications operators.

[Norway: Amendments to petroleum tax law](#)

There are important “provisional” or temporary amendments to the petroleum tax law that are intended to boost investments in the oil and gas sector and in particular to stimulate investments on the Norwegian continental shelf.



TaxNewsFlash by region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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