



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 28 January 2021



Asia Pacific Tax Developments

Australia

[Businesses claiming JobKeeper payment into 2021](#)

The second phase of the JobKeeper payment extension began 4 January 2021 and will run for 12 weeks until 28 March 2021.

[Capital gains tax rollovers, implications for business restructuring](#)

The Board of Taxation's second consultation paper is part of its review of capital gains tax (CGT) rollovers and outlines further thinking on how reform to the CGT rollover provisions may be approached.

[Hybrid mismatch targeted integrity rule, final guidance](#)

The Australian Tax Office released a "law companion ruling" that finalises guidance on aspects of the targeted integrity rule as contained within the hybrid mismatch rules. The amendments are effective retroactively from 1 January 2019.

Hong Kong(SAR), China

[Amendments to CRS provisions](#)

The Inland Revenue Department announced changes to provisions of the Inland Revenue Ordinance concerning the common reporting standard (CRS) regime.

India

[Taxpayer is eligible for foreign tax credit in India on taxes paid in various foreign countries](#)

The Bangalore Bench of the Income-tax Appellate Tribunal held that the taxpayer is eligible for full credit of Foreign Tax Credit (FTC), amounting to taxes paid in USA, Japan and Germany under respective tax treaties. However, in the case of Korea, FTC is limited to taxes paid in Korea or India, whichever is less. In Taiwan, India does not have a tax treaty. Hence, FTC is to be calculated based on tax applicable in India or Taiwan whichever is less, on such double taxable income.

[Updated user guides under FATCA, CRS regimes](#)

India's tax authority updated the user guides relating to the FATCA and CRS regimes.

Malaysia

[FAQs on tourism tax and bookings via online platforms](#)

The Royal Malaysian Customs Department on 20 January 2021 issued a set of “frequently asked questions” (FAQs) about the tourism tax and specifically addressing the expanded scope of the tourism tax regarding accommodations booked via an online platform.

[Relief package includes extended and expanded tax provisions \(COVID-19\)](#)

The Prime Minister introduced a package of extended tax incentives and exemptions provided as economic relief measures in response to the coronavirus (COVID-19) pandemic. The Finance Minister then introduced a further tax deduction for employers.

New Zealand

[The productivity gap: A taxing question](#)

The Productivity Commission's draft report, highlights New Zealand's ongoing struggle with productivity and restates the view that the main contributor to economic growth has been from more hours worked rather than more output per hour ('working harder, not smarter').

Thailand

[Guidance implementing rules for transfer pricing and related-party transactions](#)

The Director-General of the Thai Revenue Department issued two notifications as guidance relevant to transfer pricing and related-party transactions. The notifications were issued to implement Thailand's new transfer pricing law.

[Tax measures supporting R&D, electronic tax systems, and e-filing](#)

Tax measures, approved by the Cabinet and reflected in guidance from the Thailand Revenue Department, concern support for research and development in certain areas and the development of electronic tax systems including government subsidies and an electronic filing deadline extension.



Significant International Tax Developments

[OECD: Updated guidance on tax treaties \(COVID-19\)](#)

The Organisation for Economic Cooperation and Development (OECD) today released updated guidance on tax treaties and the effect of the coronavirus (COVID-19) pandemic.



Calendar of events

Date	Event	Location
1 February 2021	Tax and Incentive Planning for High CAPEX Investments	Webinar
2-4 February 2021	2021 KPMG Virtual Tax & Legal Summit – Asia Pacific region	Webinar
	Contact: Phoebe Tsang	
4 February 2021	KPMG Asset Management Series	Webinar
	Contact: Tracy Leung	



Beyond Asia Pacific

[Kenya: Digital services tax, first return and payment expected in February 2021](#)

Following the release of digital services tax regulations in December 2020, the first return and first payment of the digital services tax for January 2021 are scheduled to be filed and paid, respectively, by 20 February 2021.

[Netherlands: Relief measures extended, tax obligations deferred to 1 July 2021 \(COVID-19\)](#)

A January 2021 letter from the government to the Lower House of Parliament announces that an existing relief and recovery package for businesses and workers would again be amended, and certain elements would be expanded or extended in response to the COVID-19 pandemic.



TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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