



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[Australian real estate taxes: 2020 year in review](#)

A recap to the key tax and duty themes that arose for investors in Australian real estate assets in 2020 and look ahead at issues for investors in 2021.

[Compliance implications, “significant global entity” and “country-by-country reporting entity”](#)

Guidance from the Australian Taxation Office (ATO) concerns legislative amendments that expand the coverage of entities considered to be “significant global entities” (SGEs) and that introduce a new concept of a country-by-country (CbC) reporting entity.

[ATO guidance, presence of employees not creating permanent establishment \(COVID-19\)](#)

The Australian Taxation Office updated guidance concerning whether the presence of employees in Australia, due to COVID-19 pandemic-related travel restrictions, creates a permanent establishment.

Cambodia

[System for e-filing income tax returns; tax relief \(COVID-19\)](#)

The General Department of Taxation has set up an online system for taxpayers to file the Tax returns electronically. The e-filing is effective for income tax returns for 2020.

China

[VAT Essentials Guide 2021](#)

The China: VAT Essentials Guide 2021 provides key information about China's VAT system while drawing attention to key issues impacting multinationals doing business in, or with, China.

[Why the succession decision may be a defining moment in your family business](#)

A deeper understanding of today's family business dynamics and the impact that different generations are having on their businesses and succession plans.

Hong Kong(SAR), China

[Carried Interest 0% Tax Concession – Hong Kong](#)

The Government released the legislation on the concessional tax treatment for carried interest in Hong Kong. The eligible carried interest distributions are to be taxed at a 0% rate for qualifying persons who are subject to profits tax, and for qualifying employees subject to salaries tax.

India

[India Tax Konnect - January 2021](#)

This publication highlights the recent direct and indirect tax updates in India.

[India Union Budget 2021-22](#)

This year's budget proposals rested on six broad pillars (i) Health and Wellbeing (ii) Physical and Financial Capital, and Infrastructure (iii) Inclusive Development for Aspirational India (iv) Reinvigorating Human Capital (v) Innovation and R&D (vi) Minimum Government and Maximum Governance.

[Offshore supply of equipment under the composite contract is not taxable in India, however, offshore services are taxable in India](#)

Authority of Advance Rulings in the case of Technip France SAS held that consideration received for offshore supply of equipment is not taxable in India. However, the consideration received for basic engineering design services and offshore advisory services in relation to the construction, erection, installation, commissioning and testing of the plant are taxable in India.

[Training centres of a Canadian entity do not constitute an agency PE in India](#)

The Mumbai Bench of the Income-tax Appellate Tribunal in the case of International Air Transport Association held that the activities of the training centre in India cannot be held to be devoted wholly or almost wholly on behalf of the taxpayer and such training centres cannot be treated as a Dependent Agent Permanent Establishment (DAPE) in India.

Japan

[2021 Tax Reform Proposals - Amendments to the Electronic Preservation System](#)

The ruling coalition agreed on the 'Outline of the 2021 Tax Reform Proposals' (Proposal) on 10 December 2020 and the Cabinet decided the Proposal on 21 December 2020.

[Extension of Filing and Payment Due Dates](#)

The National Tax Agency released an announcement about the extension of filing and payment due dates for 2020.

[National Tax Agency - Update of FAQs relating to COVID-19](#)

The National Tax Agency updated the FAQs about the tax treatments for tax filing and tax payment procedures, etc. relating to COVID-19 and the FAQs about Grace System.

Malaysia

[Taxpayers now have 14 days to submit transfer pricing documentation](#)

The Malaysian Inland Revenue Board updated provisions of the transfer pricing guidelines, and with these changes, taxpayers now have 14 days (instead of 30 days) to submit transfer pricing documentation if requested by the tax authority.

Myanmar

[Update on Financial Services in Myanmar](#)

The Insurance Business Regulatory Board invited owned companies to submit expressions of interest to apply for a life or a general insurance business license. The IBRB also approved five 100% foreignowned life insurance companies and six foreign-Myanmar life and general insurance joint ventures.

Philippines

[Deductions for computing 5% gross income tax \(COVID-19\)](#)

The Philippine Economic Zone Authority with the support of the Bureau of Internal Revenue identified several additional deductions for use in computing the 5% gross income tax in response to the COVID-19 pandemic.

Thailand

[Changes to rules for writing off bad debts \(COVID-19\)](#)

The Thai Cabinet in January 2021 approved changes that would revise the rules for writing off bad debts—measures that would be intended to support businesses economically affected by the COVID-19 pandemic.

[Emerging Infrastructure Trends for 2021](#)

KPMG recently launched a report detailing 10 Emerging Global Infrastructure Trends for 2021.

[Extended tax deadlines; reduced rates of taxes and social security contributions \(COVID-19\)](#)

The Cabinet approved several relief measures to aid those who are affected by COVID-19 pandemic. These relief measures include extension of tax filing deadlines and reduction of certain taxes, fees and social security contribution rates.



Calendar of events

Date	Event	Location
26 February 2021	KPMG Singapore Budget 2021 Webinar	Webinar
29 March 2021	Navigating Ways Through Tax Audit & Investigation	Webinar
	Contact: Ms Karen Lee Ms Bernice Lim	



Beyond Asia Pacific

[Dominican Republic: Tax incentives for industries subject to competitiveness and innovation regime](#)

Measures announced by the executive branch provide additional tax incentives as support for companies operating under the competitiveness and innovation (“PROINDUSTRIA”) regime.

[Italy: VAT registration by UK businesses \(post-Brexit\)](#)

The Italian tax authority concluded that under the free trade agreement between the EU and the UK, (signed 24 December 2020 and provisionally in force as of 1 January 2021), UK businesses and companies can directly register for value added tax (VAT) in Italy.



TaxNewsFlash by region

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