



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 18 February 2021



Asia Pacific Tax Developments

Australia

[ATO focus on cross-border financing arrangements](#)

Traditional sources of debt capital are becoming more difficult to source, and one consequence has been an increase in lending activity from debt funds and institutional investors.

[Objections on hold as tax authority appeals JobKeeper case \(COVID-19\)](#)

If taxpayers have had their eligibility for the JobKeeper payments denied by the Australian Tax Office (ATO), they need to consider filing an objection pending the outcome of an appeal from a tribunal decision.

Hong Kong(SAR), China

[Updated FAQs concerning AEOI and CRS regime](#)

The Inland Revenue Department updated a set of “frequently asked questions” (FAQs) related to the automatic exchange of information (AEOI) under the common reporting standard regime (CRS).



India

Support services are taxable as FTS under the India-UK tax treaty. However, consultancy services which are merely advisory in nature are not taxable as FTS

The Authority of Advance Ruling (AAR) held that payment made by the Indian entity for direct technical advice, support, and management services were taxable as fees for technical services as such services satisfies the 'make available' condition as per India- UK tax treaty. However, the payments for consultancy services that were merely advisory in nature and merely involved the discussion and advice of a routine nature were not to be treated as fees for technical services as they do not fulfil the make available condition.

Korea

Tax legislative amendments effective for 2021

As a follow-up procedure of the tax legislation, the South Korean government in January 2021 announced an implementing decree that is scheduled to be finalized in February 2021.

Transfer pricing-related amendments in tax legislation

Transfer pricing-related measures are included in tax legislation approved by the National Assembly in December 2020, and implementing measures that are scheduled to be finalized in February 2021.

Philippines

Lower tax rate, dividends paid to non-resident foreign corporations

Incentives have been provided to non-resident foreign corporations to encourage them to do business and invest in Philippines industries and these incentives have included "the tax sparing provision" that provides a lower tax rate on dividends paid to these foreign corporations by domestic corporations.

Singapore

CRS registration deadline is 31 March 2021

The Inland Revenue Authority of Singapore announced that the common reporting standard registration deadline for entities that became a "reporting Singapore financial institution" between 1 January 2020 and 31 December 2020 (both dates inclusive) is 31 March 2021..

[Tax measures in budget 2021](#)

Singapore's budget for 2021 extends certain temporary tax measures introduced in the 2020 budget for another year in an effort to support businesses dealing with short-term challenges arising from the COVID-19 pandemic.

Thailand

[VAT requirements for foreign providers of electronic services](#)

Legislation enacted concerns the collection of value added tax (VAT) from foreign providers of electronic services (e-services) when the e-services are provided to non-VAT registrants in Thailand.



Calendar of events

Date	Event	Location
26 February 2021	KPMG People Services Webinar Contact: Phoebe Tsang	Webinar
3 March 2021	Benefits of Funds Structures as an alternative to traditional Joint Venture Companies Contact: Anurag Chaturvedi	Webinar
10 March 2021	Exploring GBA Cities Series: Innovation in GDFTZ – Nansha, Qianhai and Hengqin Contact: Tracy Leung	Webinar



Beyond Asia Pacific

[Canada: Relief for individuals who received income support \(COVID-19\)](#)

Certain individuals who received COVID-19 related income assistance in 2020 may qualify for relief relating to these benefits.

[Germany: Proposals concerning withholding tax and capital gains tax](#)

The German federal government in January 2021 adopted a draft bill to “modernize” the provisions for relief from withholding tax and the certification of capital gains tax.



TaxNewsFlash by region

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[Americas](#)

[Europe](#)

[United States](#)



KPMG Asia Pacific Tax Centre Contacts

Asia Pacific Regional Leader, Tax & Legal



Lewis Lu
Head of Tax & Legal
KPMG Asia Pacific
E : lewis.lu@kpmg.com

Global Head of Tax & Legal Clients & Markets Leader



Brahma D Sharma
Global Head of Tax & Legal Clients & Markets
Partner, KPMG Asia Pacific
E : brahmasharma@kpmg.com.sg

Service Line Specialists

Transfer Pricing Services



Tony Gorgas
Transfer Pricing Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : tgorgas@kpmg.com.au

Indirect Tax Services



Lachlan Wolfers
Global Head of Indirect Taxes
Partner, KPMG China
E : lachlan.wolfers@kpmg.com



KPMG Asia Pacific Tax Centre Contacts

Global Compliance Management Services and Financial Services



Jenny Clarke
Global Compliance Management Services and Financial Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : jeclarke@kpmg.com.au

Global Mobility Services



Ben Travers
Global Mobility Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : btravers1@kpmg.com.au

International Tax



Dean Rolfe
International Tax Services Leader
KPMG Asia Pacific
Partner, KPMG in Singapore
E : deanrolfe@kpmg.com.sg

Deal Advisory M&A Tax



Angus Wilson
Deal Advisory M&A Tax Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : arwilson@kpmg.com.au

Dispute Resolution and Controversy



Angela Wood
Dispute Resolution and Controversy Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : angelawood@kpmg.com.au

Legal Services



Stuart Fuller
Global Head of Legal Services
Partner, KPMG Australia
E : stuartfuller@kpmg.com.au

Trade & Customs



Leonie Ferretter
Trade & Customs Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : lferretter@kpmg.com.au

Tax Policy



Grant Wardell-Johnson
Tax Policy Services Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : gwardelljohn@kpmg.com.au



KPMG Asia Pacific Tax Centre Contacts

Market Sector Specialists

Energy & Natural Resources



Carlo Franchina
Energy & Natural Resources Tax
Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : cfranchina@kpmg.com.au

Insurance



John Salvaris
Insurance Tax Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : jsalvaris@kpmg.com.au

Sovereign Wealth and Pension Funds



Angus Wilson
Sovereign Wealth and Pension
Funds Tax Leader
KPMG Asia Pacific
Partner, KPMG Australia
E : arwilson@kpmg.com.au

Asset Management



Darren Bowdern
Asset Management Tax Leader
KPMG Asia Pacific
Partner, KPMG China
E : darren.bowdern@kpmg.com

Banking



John Timpany
Banking Sector Leader
KPMG Asia Pacific
Partner, KPMG China
E : john.timpany@kpmg.com



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