



# KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 10 June 2021



## Asia Pacific Tax Developments

### Asia Pacific Region

#### [G7 consensus on international tax reforms and considerations for the Asia Pacific region](#)

The Group of Seven (G7) issued a statement which gives significant momentum to the negotiations between the 139 jurisdictions in the Inclusive Framework on BEPS (base erosion and profit shifting), led by the OECD and the Group of Twenty (G20). The intention is to reach a global agreement on updated international tax rules for release at the G20 Finance Ministers meeting in early July.

### China

#### [Guidance on corporate tax incentives for entities operating in Hainan free trade port](#)

The tax authorities of Hainan province and the State Administration on Taxation jointly released guidance [Announcement (2021) No. 1] clarifying the elements of operations in the Hainan free trade port as well as details about applying these elements in different situations.

### Hong Kong (SAR), China

#### [G7 consensus on international tax reforms poses challenges for Hong Kong \(SAR\) businesses](#)

G7 Finance Ministers issued a statement indicating that they have reached an in-principle agreement on updated international tax rules. Hong Kong (SAR) businesses that may be affected by BEPS 2.0 should start considering which parts of their business may be affected and understand the impact for various stakeholders.



## India

### [GST Council recommends reducing compliance burden](#)

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The Goods and Services Tax (GST) Council held a meeting and recommended various measures primarily focused on relaxing the GST compliance burden.

## Japan

### [Updated FAQs on tax treatment of working from home \(COVID-19\)](#)

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Japan's tax agency updated sets of "frequently asked questions" that address, in part, the tax treatment of amounts paid to employees who are working from home in response to the COVID-19 pandemic.

### [Requirements for electronic recordkeeping of tax-related books and records](#)

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Japan's tax agency released guidance (a leaflet) that addresses amendments to the rules for electronic preservation of tax-related books and records pursuant to the 2021 tax reform.

## Malaysia

### [Penalty relief for late payment of GST; service tax exemption for joint development area](#)

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The tax authority will consider relief from penalties assessed for late payments of goods and services tax (GST) with regard to GST payments, provided that certain conditions are satisfied.

### [MIRB's FAQs on Taxation Matters During the Movement Control Order 3.0 Period](#)

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The Malaysian Inland Revenue Board ("MIRB") has issued a list of frequently asked questions in relation to taxation matters during the MCO 3.0 period and a media release in relation to the relaxation in terms of penalties and outstanding taxes.

### [Service Tax Policy 1/2021 - Exemption on Taxable Services Provided within the JDA](#)

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The Royal Malaysian Customs Department has issued the Service Tax Policy 1/2021 with regards to the Service Tax exemption on taxable services provided within the Joint Development Area.

## New Zealand

### [Government consults on housing tax detailed design](#)

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The New Zealand Government released its housing tax discussion document following the previous announcements. It has further detail on the proposed interest limitation rules and related bright line tax issues.

## Singapore

### [Tax exemption for gains realised on disposals of shares extended, if not involving property development](#)

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An extension to the tax exemption available under Section 13Z has been enacted into law, but the provisions have been narrowed with regard to certain property-related businesses and real estate transactions.

## Thailand

### [Monthly tax return filing, payment deadlines extended \(COVID-19\)](#)

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The Ministry of Finance released Notification No. 5 that provides an additional two-month extension of deadlines for filing the monthly tax return and remitting tax payments made via the Revenue Department's e-filing system.



## Calendar of events

Date	Event	Location
15 June 2021	<a href="#">CFO Forum</a> Contact: <a href="#">Alice Jin</a>	Webinar
13 July 2021	<a href="#">From Business Challenges to Tax Challenges</a> Conatct: <a href="#">Tax Event</a>	Webinar



## Beyond Asia Pacific

### [Czech Republic: Tax treatment of new meal allowance rules explained](#)

The tax administration issued guidance in an effort to answer certain questions regarding the tax deductibility of the new meal allowance.

### [United States: Illinois budget agreement includes corporate tax revenue raisers](#)

The Illinois House and Senate passed budget agreement legislation (Senate Bill 2017, as amended by House Amendment 2) that includes certain measures that would increase taxes for corporate taxpayers.



## TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



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