



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

China

[Additional tax reporting requirements for ESOPs](#)

The State Taxation Administration issued guidance that is intended to simplify and streamline the tax administration process, by introducing 15 new measures regarding tax collection and administration. The guidance specifically includes a provision imposing an additional tax reporting requirement and enforcing existing tax reporting requirements with regard to employee share ownership plans (ESOPs).

India

[Even though UAE based subsidiary was a paper/shell company, its profits are not taxable in India because it did not violate any provisions of the law](#)

The Ahmedabad Bench of the Income-tax Appellate Tribunal (the Tribunal) held that even though UAE based subsidiary was treated as a paper/shell company, its profits were not taxable in India as the activities of paper/shell company cannot be treated as illegal in nature as such company did not violate any provisions of law.

[Supreme Court affirms GST common portal is only a facilitator to feed or retrieve information and need not be the primary source for doing self-assessment](#)

The Hon'ble Delhi High Court held that there was no reason to restrict rectification of GST returns and accordingly permitted to rectify Form GSTR-3B. This was not accepted by Hon'ble Supreme Court of India which held that not making Form GSTR-2A operational cannot be a ground to allow revision of the returns.

Japan

[Electronic recordkeeping requirements, performance-linked compensation measures under 2021 tax reform](#)

The National Tax Agency posted a set of “frequently asked questions” (FAQs) as guidance regarding the amendments to the electronic preservation system for account books under the 2021 tax reform.

Malaysia

[Special Programme for Foreign Income Remittance](#)

Following the proposal in 2022 Budget, amendment has been made in the Finance Bill 2021 to tax foreign source income received in Malaysia by any Malaysian resident person, effective from 1 January 2022. A transitional tax rate of 3% is accorded on the gross amount remitted from 1 January 2022 to 30 June 2022.

Singapore

[GST zero-rating for sales of exported goods](#)

The Goods and Services Tax (GST) Board of Review—in a decision favourable to the trader—addressed the tax authority’s decision to deny zero-rating for exports of goods that were “hand-carried” by motor vehicle to customers in Malaysia.

Sri Lanka

[Tax proposals in 2022 budget](#)

The Minister of Finance presented the budget proposals for 2022 that include tax measures. Key measures include a one-time surcharge tax at a rate of 25% on individuals or companies with a taxable income exceeding Rs. 2 billion (approximately U.S. \$27 million) for the year of assessment 2020/2021



Calendar of events

Date	Event	Location
17 November 2021 – 18 November 2021	Tax and Business Summit	Webinar
22 November 2021 – 23 November 2021	GST Masterclass 2021 Contact : sg-fmbbusinessschool@kpmg.com.sg.	Webinar
3 December 2021	ASPAC Digital Economy Indirect Tax Update and Singapore Extended Overseas Vendor Registration Regime	Webinar



Beyond Asia Pacific

[South Africa: Penalties for individuals who fail to file tax returns](#)

Penalties for an individual taxpayer's failure to file (non-compliance) an annual income tax return apply for any outstanding income tax returns, for years of assessment beginning on or after 1 March 2006.

[Colombia: Relief from interest and penalties for late payments of tax \(COVID-19\)](#)

The tax authority (DIAN) issued Resolution 000126 of 2021 establishing a temporary relief mechanism regarding interest and penalties for late payments of tax.



TaxNewsFlash by region

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[United States](#)



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