



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[Fuel tax credit available for business use](#)

Fuel excise tax, which is indexed to the consumer price index (CPI), generally increases twice a year in February and August. The taxes raised from the fuel excise tax play an important part in funding national road infrastructure.

[Tax treatment of digital assets and transactions; policy framework review](#)

The Board of Taxation has been tasked with reviewing an appropriate policy framework for the taxation of digital assets and transactions in Australia. The Board's review is to be completed by 31 December 2022.

[Consultation on proposed digital games tax offset](#)

The digital games tax offset would be a 30% refundable tax offset for eligible business that spend a minimum of \$500,000* on a qualifying Australian development expenditure related to the development of eligible games from 1 July 2022.

India

[Japanese company's Indian Joint Venture company does not constitute a fixed place or a supervisory PE in India](#)

The Delhi bench of the Income-tax Appellate Tribunal in a case concerning whether there was a permanent establishment in India under a provision (Article 5) of the India-Japan income tax treaty-held that the premises of the joint venture did not constitute a fixed place permanent establishment in India. According to the tribunal, merely providing the taxpayer access to the premises for the purpose of providing certain services to the joint venture would not amount to the place being at the disposal of the taxpayer.

[A foreign holding company is not required to deduct tax at source since the shares were purchased by its wholly owned subsidiary company](#)

The Bombay High Court—in a case concerning the question of withholding tax at source by a foreign holding company even though the transaction (the purchase of shares) was undertaken by its wholly owned subsidiary company—found that the taxpayer was not the purchaser of shares.

[Diamond certification services not taxable technical services under treaty with United States \(tribunal decision\)](#)

The Surat Bench of the Income-tax Appellate Tribunal held that payments for diamond testing and certification services provided by a U.S. company to the taxpayer are not taxable as “fees for technical services” under the India-United States income tax treaty.

Indonesia

[Guidance on coordination of CFC rules with taxation of dividends](#)

The Director General of Taxation recently issued guidance on the application of Indonesia’s controlled foreign country (CFC) rule (Ministry of Finance regulation No. 107 year 2017 and Ministry of Finance Regulation No. 93 year 2019).

Philippines

[Guidance concerning tax withholding by agents, other measures](#)

The Bureau of Internal Revenue issued the following guidance: Revenue Memorandum Circular No. 27-2022 publishes a list of additional “top withholding agents” required to deduct and remit the 1% or 2% creditable withholding tax for the purchase of goods and services, Revenue Memorandum Circular No. 28-2022 provides information and guidance regarding the requirement to submit the “Certificate of Entitlement to Tax Incentives,” as an attachment to the annual income tax return of registered business enterprises.

[VAT guidance regarding export enterprises](#)

The Bureau of Internal Revenue issued guidance to provide clarifications on the transitory provisions under Revenue Regulations No. 21-2021 and certain issues pertaining to the value added tax treatment of transactions by registered business enterprises—particularly registered export enterprises.

[Guidance regarding responsibilities of banks in accepting tax returns and payments](#)

The Bureau of Internal Revenue (BIR) issued guidance to reiterate the relevant responsibilities of the authorized agent banks (AABs) pertaining to the acceptance of 2021 annual income tax returns and payments.

Thailand

[Determining related parties when same group of shareholders involved](#)

The Thai Revenue Department in March 2022 issued a new template and explanation of rules regarding the transfer pricing disclosure form for accounting year 2021.

Vietnam

[Guidance on conditions for customs inspection of export processing enterprises](#)

The General Department of Customs issued guidance—Official Letter No. 697/TCHQ-GSQL (2 March 2022)—regarding the conditions for customs inspection and supervision for export processing enterprises.



Significant International Tax Developments

[OECD: Public consultation on tax transparency framework for crypto-assets, proposed amendments to CRS](#)

The Organisation for Economic Cooperation and Development (OECD) published a public consultation document concerning a new global tax transparency framework to provide for the reporting and exchange of information with respect to crypto-assets (Crypto-Asset Reporting Framework, or CARF), as well as proposed amendments to the common reporting standard (CRS) for the automatic exchange of financial account information among countries.



Calendar of events

Date	Event	Location
30 March 2022	HK Tax Developments - Risks and Opportunities for Chinese FS Groups Operating in HK in 2022 Contact: Cani Ho at +852 2685 7699.	Webinar
12-13 April 2022	Demystifying Malaysian Withholding Tax (Re-run) Contact : taxevents@kpmg.com.my	Webinar



Beyond Asia Pacific

[Nigeria: Transfer of interest in oil prospecting license subject to capital gains tax \(tribunal decision\)](#)

The Tax Appeal Tribunal (Lagos) held that the taxpayer's partial transfer of interest in an oil prospecting license constituted a disposal of a chargeable asset subject to capital gains tax—and was not a gain from petroleum operations pursuant to a provision of the Petroleum Profits Tax (PPT) Act.

[Poland: Reporting deadlines for corporate income tax, information returns of real estate companies](#)

The deadlines for reporting corporate income tax and for information reporting by real estate companies have been extended or are proposed to be extended.



TaxNewsFlash by region

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[Americas](#)

[Europe](#)

[United States](#)



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