



KPMG Asia Pacific Tax Weekly

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Asia Pacific Tax Developments

Australia

[Luxury car tax threshold rises for FY 2022-23](#)

The luxury car tax threshold will rise by 6.6% for fuel-efficient vehicles and 3.9% for other vehicles that are imported, acquired, or sold in the 2022-23 financial year (FY), as compared to the previous financial year's threshold. The luxury car tax threshold is indexed on 1 July each year and is based on any increases in the motor vehicle purchase sub-group of the consumer price index (CPI).

[Land tax measures in 2022-2023 budget \(South Australia\)](#)

The South Australia budget for 2022-2023 includes no new tax-related proposals, but largely continues or implements measures introduced in earlier budgets. Specifically, with respect to land tax-related measures, land tax thresholds will increase by approximately 11% in 2022-23, and adjustments to land tax rates and thresholds that were legislated in July 2020 will commence from 1 July 2022.

China

[Preferential corporate income tax policies for Hengqin Guangdong-Macao Deep Cooperation Zone](#)

A notice, Cai Shui [2022] No. 19, concerns preferential corporate income tax policies for the Hengqin Guangdong-Macao Deep Cooperation Zone. These new preferential corporate income tax policies—compared with the original preferential policies—not only continue a reduced corporate income tax rate of 15% for eligible enterprises, but also add tax exemptions for overseas income from specific industries and provide for the acceleration of newly purchased fixed assets and intangible assets.

Hong Kong (SAR), China

[Proposed tax concessions for maritime services](#)

Proposed tax legislation would introduce a concessionary tax regime for ship agency, ship management, and ship broking businesses in Hong Kong (SAR), China. Under the proposed regime, profits derived by ship agents, ship managers, and ship brokers in Hong Kong would benefit from a profits tax exemption or a concessionary profits tax rate of 0% or 8.25% if the specified conditions are met. Subject to the completion of the legislative process, the tax concessions would apply from April 2022.

India

[Additional ground can be raised before the Tribunal to apply a lower rate of DDT under a tax treaty](#)

The Bangalore Bench of the Income Tax Appellate Tribunal held that the taxpayer is permitted to raise an additional ground before the Tribunal relating to the application of a lower rate of dividend distribution tax (DDT) under the India-Mauritius tax treaty.

Philippines

[Tax audit and field operations of task forces suspended](#)

The Bureau of Internal Revenue issued Revenue Memorandum Circular No. 76-2022 to suspend, effectively immediately until further notice, the audit and other field operations of all task forces created thru Revenue Special Orders, Operations Memoranda and other similar orders or directives. A case-to-case review and evaluation of the necessity and progress of each task force will be conducted by the Office of the Commissioner before they are allowed to resume their audit functions and field operations.

Vietnam

[Deferral of tax payments, including VAT \(COVID-19\)](#)

The government issued Decree No. 34/2022/-ND-CP as part of the post-coronavirus (COVID-19) pandemic recovery package, which defers certain tax payments for 2022. Taxpayers must self-assess if they qualify for tax or land rental payment deferral and submit a written request directly to the tax authority. Deferral requests may be filed once for all applicable taxes and land rental fees, jointly with the monthly or quarterly tax declarations, or separately by 30 September 2022.



Beyond Asia Pacific

Argentina: New exchange rate regime for oil and natural gas companies

The creation of the Exchange Access Regime for Incremental Oil Production (Régimen de Acceso a Divisas para la Producción Incremental de Petróleo or RADPIP) and the Foreign Exchange Access Regime for the Incremental Production of Natural Gas (Régimen de Acceso a Divisas para la Producción Incremental de Gas Natural or RADPIGN) was announced.

Bolivia: Proposals to modify procedural rules regarding tax remittances, related penalties

A bill has been presented to the legislative assembly that, if enacted, would:

- Reduce the penalty for the non-payment of taxes (with the penalty liability reduced to 60% of the current penalty amount)
- Extend penalty relief for taxpayers who remit their taxes by the 20th day after a notification (currently, this penalty relief is available for taxes remitted by the 10th day)
- Modify the tax treatment of income of those engaged in the “liberal professions and trades”
- Modify the rules for the taxation of non-residents who engage in certain economic activities in Bolivia
- Address the rules for payment of taxes, including partial payments made after the breach of a payment agreement, when there are failures to comply with payment agreements

EU: Reporting obligations under carbon border adjustment mechanism beginning 2023

As of 1 January 2023, reporting obligations will apply to EU imports of the targeted products, and the imports will need to be performed by authorized declarants. Businesses will be required to report, on a quarterly basis, the embedded emissions in the imported goods (during that quarter of a calendar year), detailing both the direct and indirect emissions, as well as any carbon price effectively paid in the country of origin. Moreover, the initially foreseen transition period for businesses to smoothly adapt to the carbon border adjustment mechanism regulations and minimize the disruptive impact on trade, which is from 1 January 2023 to 31 December 2026, may be brought forward to 31 December 2024.



TaxNewsFlash by region

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Americas

Europe

United
States



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