

KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 4 August 2022



Asia Pacific Tax Developments

Hong Kong (SAR), China

[The Court held an intra-group share transfer involving UK LLPs is eligible for section 45 stamp duty relief](#)

The District Court recently held in a case that a foreign limited liability company (LLC) and a UK limited liability partnership (LLP) were “associated” body corporates within the meaning of section 45 of the Stamp Duty Ordinance (SDO) although the latter did not have any “issued share capital” similar to that of a company limited by shares.

[Profits tax implications on sales of commercial buildings](#)

Under the existing tax depreciation regime for commercial buildings—i.e., commercial building allowances—in Hong Kong (SAR), China, asymmetric profits tax treatments may arise when a commercial building that has been in use for more than 25 years is sold.

Indonesia

[Guidance regarding taxation of coal mining sector, including VAT](#)

Government Regulation No. 15 Year 2022 provides guidance regarding taxation of the coal mining sector and is applicable to holders of mining business licenses and special mining business licenses, including those that are a continuation of coal contract of work operations.

Malaysia

[Sales Tax on Low Value Goods \(LVG\)](#)

The Sales Tax (Amendment) Bill 2022 and Service Tax (Amendment) Bill 2022 were tabled for first reading in the Parliament of Malaysia. A new Schedule has been introduced to specify the modifications to the provisions of the Sales Tax Act 2018 which apply to LVG.

[Guidance on service tax exemption for digital payment services by local non-bank providers](#)

The Royal Malaysian Customs Department published the Service Tax Policy relating to the service tax exemption on the provision of digital payment services by local non-bank providers.

Mauritius

[Tax measures in Finance Bill 2022 include domestic top-up tax](#)

The Finance (Miscellaneous Provisions) Bill 2022 has been released for consultation, and the draft legislation includes measures announced in the budget speech.

Philippines

[InTAX: August 2022 Issue 1 | Volume 1](#)

The Department of Finance (DOF) issued the Revenue Regulations (RR) No. 7-2022, providing for policies and guidelines for the availment of tax incentives under the Renewable Energy Act of 2008 (RE Law).

[Special InTAX: August 2022 Issue 1 | Volume 2](#)

The Bureau of Internal Revenue (BIR) issued Revenue Memorandum Circular (RMC) No. 115-2022, to lift the suspension of the issuance of Mission Orders (MOs) only for the conduct of Tax Compliance Verification Drive (TCVD).

[Suspension of Tax Audit: The Pros and Cons](#)

The Bureau of Internal Revenue (BIR) issued Revenue Memorandum Circular (RMC) No. 76-2022 to suspend the audit and other field operations pursuant to, and under authority of, all Task Forces created through Revenue Special Orders (RSOs), Operations Memoranda (OM), and Other Similar Orders/Directives.

[Bringing tax transparency into focus for life sciences companies](#)

There has been a dramatic cultural shift as governments and communities increase their focus on social and health issues, environmental concerns, sustainability, and corporate governance.



Beyond Asia Pacific

[Bahrain: VAT violations identified during field inspections](#)

The tax administration (in cooperation with the Ministry of Industry, Commerce and Tourism) recently conducted field inspection of 80 commercial establishments and, as a result, detected 35 violations of the value added tax (VAT) rules.

[Uruguay: Proposed corporate income tax changes would capture certain passive income generated abroad](#)

A bill that includes proposed changes to Uruguay's income tax on economic activities (impuesto a las rentas de las actividades económicas—IRAE) has been released for public consideration.



TaxNewsFlash by region

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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



Shirley Shen

Indirect Tax Service Leader
KPMG Asia Pacific
Partner, KPMG in Singapore

E : shirleyshen@kpmg.com.sg



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



Lian Seng Soh
Dispute Resolution and Controversy Services Leader
KPMG Asia Pacific
Partner, KPMG Malaysia
E : lsch@kpmg.com.my

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



Conrad Turley
Tax Policy Services Leader
KPMG Asia Pacific
Partner, KPMG China
E : conrad.turley@kpmg.com



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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