



# KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 1 October 2024



## Asia Pacific Tax Developments

### Australia

#### [Approved form for thin capitalisation test choice](#)

The Australian Taxation Office (ATO) released its approved form that certain taxpayers may use to make a thin capitalisation test choice for an income year.

#### [Consultation on draft legislation to amend fuel-efficient vehicle definition under Luxury Car Tax \(LCT\)](#)

Treasury released for consultation Treasury Laws Amendment Bill 2024: LCT —draft legislation that would amend the LCT law.

#### [Increased reporting requirements for Local file](#)

The ATO in May 2024, released its proposed Local file and Master file XML schema 4.0 which includes increased reporting requirements in the short form Local file. The ATO released draft instructions to accompany the schema in early August for consultation, with final instructions expected in the last quarter of 2024.

### Hong Kong (SAR), China

#### [Guidance on profits tax treatment of items recognized in financial accounts in relation to Long Service Payment \(LSP\)](#)

Following abolition of the offsetting mechanism between the mandatory provident fund and LSP, the Inland Revenue Department provided guidance regarding the profits tax treatment of items recognized in financial accounts in relation to provision for LSP.



## India

### Tax Flash News

---

The Ministry of Finance has issued the Foreign Exchange Rules, 2024 which supersede the existing Foreign Exchange Rules, 2000.

## Korea

### Sales volume must be considered in determining comparability of transactions for transfer pricing purposes

---

The Seoul Administrative Court in June 2024, held that in determining an arm's length price for product sales between related parties, the allegedly comparable transactions relied on by the tax authority were not, in fact, comparable.

## Malaysia

### Run-up to the 2025 Budget

---

KPMG in Malaysia prepared a report on tax leaders' views on the 2025 Budget.

### Proposed Single Family Office (SFO) tax incentive regime for Forest City

---

The Finance Minister in September 2024, announced a new SFO tax incentive regime for Forest City that includes a 0 percent tax rate for family offices for up to 20 years.



## Significant International Tax Developments

### OECD: Jurisdictions sign multilateral convention implementing Pillar Two Subject to Tax Rule (STTR)

---

Nine jurisdictions signed the multilateral convention to facilitate implementation of the STTR.



## Beyond Asia Pacific

### [Austria: Increased small business Value Added Tax \(VAT\) exemption threshold; other recent direct and indirect tax developments](#)

---

The Parliament passed legislation increasing the small business VAT exemption threshold to EUR55,000 effective 1 January 2025, and increasing the income tax brackets for inflation.

### [Czech Republic: Direct and indirect tax relief in response to widespread flooding](#)

---

The government issued several notices offering tax payment deferment, penalty waivers, and other tax relief for income tax, value added tax, and social security premiums.



## TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



# 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](mailto:lewis.lu@kpmg.com)

## Global Head of Tax & Legal Clients & Markets Leader



**Brahma D Sharma**  
Global Head of Strategy & Growth - Legal Services, KPMG International |  
Asia Pacific Chief Operating Officer - Tax & Legal, KPMG Asia Pacific  
E : [brahmasharma@kpmg.com.sg](mailto:brahmasharma@kpmg.com.sg)

## Service Line Specialists

### M&A Tax



**Matt Ervin**  
Partner, KPMG Australia  
E : [mattervin@kpmg.com.au](mailto:mattervin@kpmg.com.au)

### Indirect Tax Services



**Kenneth Leung**  
Partner, KPMG China  
E : [ky.leung@kpmg.com](mailto:ky.leung@kpmg.com)

### Global Mobility Services



**Murray Sarelius**  
Partner, KPMG in Singapore  
E : [murraysarelius1@kpmg.com.sg](mailto:murraysarelius1@kpmg.com.sg)

### International Tax



**Sunny Leung**  
Partner, KPMG China  
E : [sunny.leung@kpmg.com](mailto:sunny.leung@kpmg.com)



# KPMG Asia Pacific Tax Centre Contacts

## Tax Reimagined, including Global Compliance Management Services and Financial Services



**John Timpany**  
Partner, KPMG China  
E : [john.timpany@kpmg.com](mailto:john.timpany@kpmg.com)

## Legal Services



**Hanim Hamzah**  
Executive Director, KPMG in Singapore  
E : [hanimhamzah@kpmg.com.sg](mailto:hanimhamzah@kpmg.com.sg)

## Transfer Pricing Services



**Tony Gorgas**  
Partner, KPMG Australia  
E : [tgorgas@kpmg.com.au](mailto:tgorgas@kpmg.com.au)

## Tax Policy



**Conrad Turley**  
Partner, KPMG China  
E : [conrad.turley@kpmg.com](mailto:conrad.turley@kpmg.com)

## ESG



**Pauline Koh**  
Partner, KPMG in Singapore  
E : [paulinekoh@kpmg.com.sg](mailto:paulinekoh@kpmg.com.sg)

## Tax Disputes and Controversy



**Xiaoyue Wang**  
Partner, KPMG China  
E : [xiaoyue.wang@kpmg.com](mailto:xiaoyue.wang@kpmg.com)



# KPMG Asia Pacific Tax Centre Contacts

## Asia Market Sector Specialists

### Asset Management



**Darren Bowdern**  
Partner, KPMG China  
E : [darren.bowdern@kpmg.com](mailto:darren.bowdern@kpmg.com)

### Banking



**John Timpany**  
Partner, KPMG China  
E : [john.timpany@kpmg.com](mailto:john.timpany@kpmg.com)

### Energy & Natural Resources



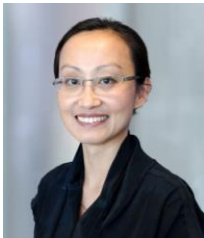
**Gabby Burcul**  
Partner, KPMG Australia  
E : [gabbyburcul@kpmg.com.au](mailto:gabbyburcul@kpmg.com.au)

### Insurance



**John Salvaris**  
Partner, KPMG Australia  
E : [jsalvaris@kpmg.com.au](mailto:jsalvaris@kpmg.com.au)

### Sovereign Wealth and Pension Funds



**Minh Dao**  
Partner, KPMG Australia  
E : [mdao@kpmg.com.au](mailto:mdao@kpmg.com.au)

### R&D and Tax Incentives



**Bo Han Lee**  
Partner, KPMG in Singapore  
E : [bohanlee@kpmg.com.sg](mailto:bohanlee@kpmg.com.sg)



[kpmg.com/asiapacifictaxcentre](https://kpmg.com/asiapacifictaxcentre)

[kpmg.com/tax](https://kpmg.com/tax)

[social.kpmg](https://social.kpmg)



© 2024 Copyright owned by one or more of the KPMG Asia Pacific entities. KPMG Asia Pacific entities provide no services to clients. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization/KPMG International entities.

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. For more detail about our structure please visit [kpmg.com/governance](https://kpmg.com/governance)

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. .