

KPMG Asia Pacific Tax Weekly

25 February 2025



Asia Pacific Tax Developments

Australia

[Updated form and instructions for thin capitalization test choice](#)

The Australian Taxation Office updated its form and instructions for taxpayers to choose either the group ratio test or the third-party debt test for an income year.

India

[Reimbursements of seconded employees' salaries not taxable in India under US treaty](#)

The Division Bench of the Karnataka High Court held that payments made by an Indian company to reimburse a related US company for salaries paid to employees of the US company seconded to the Indian company were not payments for services taxable in India under the India-US income tax treaty.

[Proposed legislation to replace Income-tax Act, 1961](#)

The Finance Minister introduced the Income-tax Bill, 2025 in Parliament, which would replace the Income-tax Act, 1961 and become effective on 1 April 2026.

Malaysia

[Introduction of self-assessment regime for stamp duty, new stamp duty audit framework](#)

The Collection, Administration, and Enforcement of Tax Act of 2024 introduced a self-assessment regime for stamp duty effective 1 January 2026.

Pakistan

[New rules for licensing, integration, and issuance of electronic invoices \(e-invoices\)](#)

The Federal Board of Revenue issued Notification No. S.R.O. 69(1)/2025 replacing Chapter XIV of the Sales Tax Rules, 2006. The update prescribes new rules for licensing, integration, and issuance of e-invoices.

Philippines

[Pre-border technical verification and cross-border e-invoicing system](#)

The Committee for Pre-border Technical Verification and Cross-border e-invoicing in January 2025, enacted the Joint Administrative Order 001-2025. The new e-invoicing system will apply to all goods exported to the Philippines.

Taiwan

[Increased business tax thresholds from January 2025](#)

The Ministry of Finance announced that the monthly business tax threshold for small-scale businesses has been increased from January 2025.

Thailand

[Free trade agreement with European Free Trade Association \(EFTA\) signed](#)

Thailand has officially signed its first free trade agreement with the EFTA, which includes Switzerland, Norway, Iceland, and Liechtenstein.

Vietnam

[Extension of reduced environmental protection taxes on fossil fuels through 2025](#)

The Standing Committee of the National Assembly in December 2024, approved Resolution 60/2024/UBTVQH15, which extends the reduced environmental protection taxes on gasoline, oil, and other fossil fuels until December 2025.



Calendar of events

Date	Event	Location
27 February 2025	2025 Tax Institute (For queries, contact leakhananan@kpmg.com.kh , lylymao@kpmg.com.kh and chea@kpmg.com.kh)	Phnom Penh, Cambodia
4 March 2025	Transfer Pricing 2024 – Evolution or revolution? (For queries, contact events@kpmg.com.my)	Virtual
5 March 2025	Unraveling profiteering: How unreasonably high profits are determined (For queries, contact taxevents@kpmg.com.my)	Malaysia
14 March 2025	KPMG Singapore Budget 2025 Seminar (For queries, contact events@kpmg.com.sg)	Singapore



Beyond Asia Pacific

[EU: European Commission publishes work program for 2025](#)

The European Commission in February 2025, published its work program for 2025.

[Niger: Tax measures in 2025 budget](#)

The Ministry of Finance on December 31, 2024, announced that the Council of Ministers adopted the draft ordinance for the 2025 finance law, which includes measures such as increasing the profit tax rate for nonresidents, introducing a capital gains tax on mining titles, and imposing value added tax (VAT) on online sales transactions.



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

Asia Pacific Chief Operating Officer, Tax & Legal



Byran Theunisen
Chief Operating Officer - Tax & Legal
KPMG Asia Pacific
E : btheunisen1@kpmg.com.sg

Service Line Specialists

M&A Tax



Matt Ervin
Partner, KPMG Australia
E : mattervin@kpmg.com.au

Indirect Tax Services



Kenneth Leung
Partner, KPMG China
E : ky.leung@kpmg.com

Global Mobility Services



Murray Sarelius
Partner, KPMG in Singapore
E : murraysarelius1@kpmg.com.sg

International Tax



Sunny Leung
Partner, KPMG China
E : 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

Legal Services



Hanim Hamzah
Executive Director, KPMG in Singapore
E : hanimhamzah@kpmg.com.sg

Transfer Pricing Services



Tony Gorgas
Partner, KPMG Australia
E : tgorgas@kpmg.com.au

Tax Policy



Conrad Turley
Partner, KPMG China
E : conrad.turley@kpmg.com

ESG



Pauline Koh
Partner, KPMG in Singapore
E : paulinekoh@kpmg.com.sg

Tax Disputes and Controversy



Xiaoyue Wang
Partner, KPMG China
E : 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

Banking



John Timpany
Partner, KPMG China
E : john.timpany@kpmg.com

Energy & Natural Resources



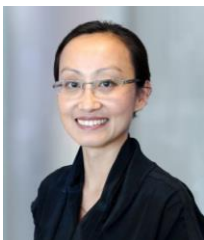
Gabby Burcul
Partner, KPMG Australia
E : gabbyburcul@kpmg.com.au

Insurance



John Salvaris
Partner, KPMG Australia
E : jsalvaris@kpmg.com.au

Sovereign Wealth and Pension Funds



Minh Dao
Partner, KPMG Australia
E : mdao@kpmg.com.au

R&D and Tax Incentives



Bo Han Lee
Partner, KPMG in Singapore
E : bohanlee@kpmg.com.sg



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