



## Asia Pacific Tax Developments

### Australia

#### Australia: Re:think - state tax perspective

KPMG in Australia comments on the three critical issues that flow from - Re: think: the Federal Government's tax reform discussion paper. These are:

- We will not find a tax that everybody wants
- If the states want to maintain autonomy, they may need to take greater responsibility for their own revenues
- The preferred tax mix depends on your perspective.

[More details](#)

#### Australia: New Managed Investment Trust attribution regime - exposure draft legislation released

The Government has released draft legislation regarding the proposed Managed Investment Trust (MIT) Attribution regime, providing Attribution MITs (AMITs) with increased certainty for tax outcomes. The regime is proposed to apply to AMITs for income years starting on or after 1 July 2015, however during the exposure draft consultation process consideration will be given to a 1 July 2016 start date combined with an early opt-in from 1 July 2015.

[More details](#)

### Hong Kong SAR

#### Hong Kong: Hong Kong signs new protocol to China tax agreement

Hong Kong and China have signed the Fourth Protocol ("the Protocol") to the Hong Kong-China Double Tax Agreement which addresses taxation of aircraft and ship leasing companies, the qualification for residence status of investment funds, taxation of gains from the sale of shares in listed companies and an expansion of the exchange of information between Hong Kong and China.

[More Details](#)

### India

#### India: Tax Kconnect - April 2015

KPMG in India have released the April edition of Tax Kconnect, highlighting the recent decisions and updates in tax, including International Tax, Corporate Tax, Transfer Pricing, Indirect Tax, and Personal Tax.

[More details](#)

#### India: Ruling on restructuring of legitimate business transactions

The Delhi High Court has held that actual business transactions that are legitimate cannot be restructured. The case has re-emphasised the importance of the business decision of the tax-payer in inter-company transactions. It comes as a relief to taxpayers facing aggressive positions taken by revenue authorities trying to restructure genuine business transactions.

[More details](#)

## India: Highlights of Foreign Trade Policy 2015-20

The Indian Government has announced the Foreign Trade Policy 2015-20 with a focus on simplicity and stability. The policy seeks to realign multiple programs so as to reduce complexities and also promotes the increased use of technology to reduce transaction costs. KPMG in India comments on the highlights of the policy.

[More details](#)

## Japan

### Japan: Tax reform

The 2015 tax reform bills were passed by the National Diet, and the amended tax laws were promulgated on 31 March 2015.

The reform includes an increase to the consumption tax rate and various measures concerning international taxation, corporate taxation, and individual income taxation.

[More details](#)

## New Zealand

### New Zealand: Proposal to simplify tax for employee share schemes

Inland Revenue has released an issues paper on ways to simplify the collection of tax on employee share schemes. The aim is to reduce tax compliance cost barriers to the take up of these schemes. The proposal is to collect the tax on employee share scheme income in the same way as tax on cash salary or fringe benefits (using either PAYE or FBT).

[More details](#)

## OECD Update



### OECD: Discussion draft, BEPS Action 3 (CFC rules)

The OECD has released a discussion draft under the base erosion and profit shifting (BEPS) project concerning BEPS Action 3 (strengthening CFC rules). It focuses on developing recommendations for the design of controlled foreign company (CFC) rules to combat base erosion and profit shifting. It considers all the constituent elements of CFC rules, breaks them down into the “building blocks” that are necessary for effective CFC rules.

[More details](#)

## Calendar of Events

Date	Event	Location
16-17 April	U.S. Tax Training Hosted by TEI Asia Chapter & Sponsored by KPMG <a href="#">More details</a>	Shanghai

## Singapore

### Singapore: Rules affecting offshore funds and claiming of GST on re-import of value-added goods

With effect from 1 April 2015, if an overseas incorporated fund wholly relies on a Singapore-based fund manager (SFM) to carry on its business, the offshore fund has a business establishment in Singapore through the SFM.

The SFM is wholly carrying on the fund’s business if it has the overall responsibility to oversee or carry on the activities of the fund, such as the day-to-day operation and core business function and is the sole contracting fund manager with the fund.

[More details](#)

## Vietnam

### Vietnam - FATCA reporting guidance

The State Bank of Vietnam has provided financial institutions and branches an automatic 90-day extension of time in which to file their FATCA reporting forms. Therefore financial institutions have until 30 June 2015 to file their FATCA reports to the U.S. tax agency (IRS).

[More details](#)

# Beyond Asia Pacific

## [Canada: Corporate & individual tax rates for 2015 \(tables\)](#)

The KPMG member firm in Canada has produced corporate and individual tax tables, reflecting changes announced as of 31 March 2015.

[More details](#)

## [France: Intergroup arrangements identified in tax-avoidance transactions list](#)

The French tax administration has posted on its website, an updated list of practices or arrangements that are considered to be contrary to the law, and replaces all previously published lists of “tax avoidance schemes”. Among these are certain intergroup arrangements. The list also includes certain practices related to VAT.

[More details](#)

## [Luxembourg: FATCA draft law submitted to Parliament](#)

A bill to implement the FATCA regime in Luxembourg domestic law was submitted to the Luxembourg Parliament on 27 March 2015, exactly one year after the signature of an intergovernmental agreement (IGA) between Luxembourg and the United States.

[More details](#)

## [Mauritius: Budget 2015-16](#)

The budget 2015-16 in Mauritius includes tax incentives and measures to encourage investments. There are no proposed changes to the corporate income tax rate of 15%.

[More details](#)

## [United States: FATCA - IRS publications on FATCA reports, notifications](#)

The IRS has posted final versions of two publications, as guidance under the FATCA regime.

[More details](#)

## TaxNewsFlash by Region

For the latest tax developments from other regions see the following links:

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

# KPMG Asia Pacific Tax Centre Contacts

## Asia Pacific Regional Leader, Tax



**Warrick Cleine**  
**Partner & CEO, KPMG in Vietnam**  
T: +84 8 3821 9266  
E: [warrickcleine@kpmg.com.vn](mailto:warrickcleine@kpmg.com.vn)

## Asia Pacific Tax Centre Leader, Regional Partner & Tax COO



**Brahma Sharma**  
**Asia Pacific Tax Centre Leader & Tax COO**  
T: +65 8186 7369  
E: [brahmasharma@kpmg.com.sg](mailto:brahmasharma@kpmg.com.sg)

## Asia Pacific Regional Client Service Team

### Regional Client Partner



**Rick Asquini**  
**Regional Client Partner**  
T: +65 6213 3300  
E: [rickasquini@kpmg.com.sg](mailto:rickasquini@kpmg.com.sg)

### Regional Client Business Development Director



**Van Mumby**  
**Regional Client Business Development Director**  
T: +65 6597 5061  
E: [vanmumby@kpmg.com.sg](mailto:vanmumby@kpmg.com.sg)

## Asia Pacific Indirect Tax Compliance Centre of Excellence



**Adrienne Mcstocker**  
**Regional Leader, Asia Pacific Indirect Tax Compliance**  
T: +65 6213 2111  
E: [amcstocker1@kpmg.com.sg](mailto:amcstocker1@kpmg.com.sg)

## Service Line Specialists

### Transfer Pricing Services



**Kari Pahlman**  
**Asia Pacific Regional Leader, Transfer Pricing Services**  
T: +852 2143 8777  
E: [kari.pahlman@kpmg.com](mailto:kari.pahlman@kpmg.com)

### Financial Services Transfer Pricing



**John Kondos**  
**Asia Pacific Regional Leader, Transfer Pricing Services in the Financial Services Sector**  
T: +852 2685 7457  
E: [john.kondos@kpmg.com](mailto:john.kondos@kpmg.com)

### Indirect Tax Services



**Lachlan Wolfers**  
**Asia Pacific Regional Leader, Indirect Tax Services**  
T: +85 22 685 7791  
E: [lachlan.wolfers@kpmg.com](mailto:lachlan.wolfers@kpmg.com)

### Trade & Customs



**Lilly Li**  
**Asia Pacific Regional Leader, Trade & Customs Services**  
T: +86 20 3813 8999  
E: [lilly.li@kpmg.com](mailto:lilly.li@kpmg.com)

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## Global Compliance Management Services



**Oi Leng Mak**  
Asia Pacific Regional Leader,  
Global Compliance Management Services  
T: +65 6213 7319  
E: [omak@kpmg.com.sg](mailto:omak@kpmg.com.sg)

## Global Mobility Services



**Andy Hutt**  
Asia Pacific Regional Leader,  
Global Mobility Services  
T: +61 2 9335 8655  
E: [ahutt@kpmg.com.au](mailto:ahutt@kpmg.com.au)

## International Tax



**Christopher Xing**  
Asia Pacific Regional Leader,  
International Tax  
T: +852 2978 8965  
E: [christopher.xing@kpmg.com](mailto:christopher.xing@kpmg.com)

## Mergers & Acquisitions Tax



**Vaughn Barber**  
Asia Pacific Regional Leader,  
Mergers & Acquisitions Tax  
T: +86 10 8508 7071  
E: [vaughn.barber@kpmg.com](mailto:vaughn.barber@kpmg.com)

## Research & Development (R&D) Tax Incentives



**Alan Garcia**  
Asia Pacific Regional Leader,  
R&D Tax Incentives  
T: +61 3 9288 6094  
E: [afgarcia@kpmg.com.au](mailto:afgarcia@kpmg.com.au)

## Dispute Resolution and Controversy



**Jeremy Geale**  
Asia Pacific Regional Leader,  
Dispute Resolution and Controversy  
T: +61 2 9335 8422  
E: [jgeale@kpmg.com.au](mailto:jgeale@kpmg.com.au)

## Market Sector Specialists

### Financial Services



**Chris Abbiss**  
Asia Pacific Regional Tax Leader,  
Financial Services Sector  
T: +852 2826 7226  
E: [chris.abbiss@kpmg.com](mailto:chris.abbiss@kpmg.com)

### Alternative Investments



**Simon Clark**  
Asia Pacific Regional Tax Leader,  
Alternative Investments  
T: +65 6213 2152  
E: [simonclark1@kpmg.com.sg](mailto:simonclark1@kpmg.com.sg)

### Energy & Natural Resources



**Rod Henderson**  
Asia Pacific Regional Tax Leader,  
Energy & Natural Resources Sector  
T: +61 2 9335 8787  
E: [rbhenderson@kpmg.com.au](mailto:rbhenderson@kpmg.com.au)

[www.kpmg.com/asiapacifictaxcentre](http://www.kpmg.com/asiapacifictaxcentre)

[www.kpmg.com/tax](http://www.kpmg.com/tax)

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