



International Tax Europe and Africa October 2016

This e-newsletter gives you an overview of international tax developments being reported globally by KPMG member firms in the Europe and Africa regions between **1 October and 31 October 2016**.

Africa	Czech Republic	Ireland	Norway
Belgium	Egypt	Luxembourg	Poland
Bulgaria	EU	Malta	Serbia
Central and Eastern Europe	Finland	Netherlands	Switzerland
Cyprus	France	Nigeria	UK

For a full summary of global tax developments, visit kpmg.com/TaxNewsFlash.

To contact the International Tax Team email internationaltax@kpmg.com.

To register for the International Tax webcasts, click [here](#).

	Tax area concerned	Relevant date	Description of measures and publication link
Africa			
KPMG publication	Various areas	13 Oct 2016	This bi-annual country snapshot publication covers the latest country economic overview, tax, legal and compliance developments, risks overview as well key in-country contacts in Africa. Read more

[Back to top](#)

Belgium			
Tax legislation adopted and	Various tax areas	17 Oct 2016	The federal government has reached an agreement about the 2017 Budget. The agreement covers a number of tax measures such as corporate tax

regulatory update			reform, capital gains tax, and measures to mobilize savings. Read more
Proposed legislation	VAT	31 Oct 2016	The distance selling rules may apply when a company sells and transports goods to private customers in other EU member states (for example via a webshop). Read more
	Various tax areas	6 Oct 2016	The government submitted a draft law to parliament containing tax provisions for: <ul style="list-style-type: none"> — implementing changes under the EU Parent-Subsidiary directive relating to the anti-hybrid and anti-abuse rules — allowing the “exit tax” to be made either as a direct payment or over a period of years under a payment “spread”. Read more
Treaties	WHT	25 Oct 2016	Belgium has extended a withholding tax (WHT) exemption for dividends paid to companies in certain non-EU countries – now including Switzerland effective 1 January 2017. Read more
	Tax treaty	12 Oct 2016	Belgium and Japan have signed a new tax treaty which is to replace the current tax treaty of 1968 (amended in 1988 and 2010). Read more

[Back to top](#)

Bulgaria

Tax legislation adopted and regulatory update	Corporate tax and VAT	5 Oct 2016	Changes to the corporate income tax and individual (personal) income tax in Bulgaria introduce new rules on the taxation of expenses for benefits in-kind related to company assets provided to employees for personal use and related expenses. Read more
---	-----------------------	------------	---

[Back to top](#)

Central and Eastern Europe

KPMG publication	Various tax areas	25 Oct 2016	KPMG member firms in the Central and Eastern Europe (CEE) region have prepared a guide that contains detailed information and analysis on taxation relating to the real estate sector in 16 countries in the region. Read more
------------------	-------------------	-------------	---

[Back to top](#)

Cyprus			
Proposed legislation	BEPS	21 Oct 2016	Changes to the “intellectual property” (IP) regime in Cyprus are intended to align the existing IP regime in Cyprus with certain OECD recommendations under the base erosion and profit shifting (BEPS) Action 5. Read more

[Back to top](#)

Czech Republic			
KPMG publication	Various tax areas	17 Oct 2016	KPMG in the Czech Republic has prepared a report about the following tax developments: <ul style="list-style-type: none">— amendment to VAT law— dealing with VAT inspections— EU harmonization of voucher taxation— competitiveness program— proving the origin of assets. Read more

[Back to top](#)

Egypt			
Tax legislation adopted and regulatory update	VAT	13 Oct 2016	The government of Egypt enacted a value added tax (VAT) law. VAT is to be levied on all commodities and services, including domestic or imported commodities and services listed in a table that is attached to the tax law. Read more

[Back to top](#)

EU			
Proposed legislation	Export control	Oct 2016	The European Commission has proposed updating the current EU dual-use regulation (no. 428/2009) for export control in order to modernize the system so as to address potential threats and to reflect technological changes. Read more
	Various tax areas	25 Oct 2016	On 25 October 2016 the European Commission published legislative proposals to relaunch its

			Common Consolidated Corporate Tax Base initiative, as well as new measures to combat hybrid mismatches, including those involving non-EU countries, and to improve the existing procedures to resolve disputes involving double taxation within the EU. Read more
KPMG publications	Various tax areas	17 Oct 2016	KPMG's EU Tax Center compiles a regular update of EU tax developments that can have both a domestic and a cross-border impact. This very extensive coverage includes CJEU, State Aid as well as coverage of EU institutions and local laws and regulations. Read more
Other	Financial transaction tax	27 Oct 2016	Finance ministers from Belgium, Germany, France, Greece, Italy, Austria, Portugal, Slovakia, Slovenia and Spain met in October 2016, and it may be possible that they will come to an agreement about the central key issues of tax at ministerial level. Read more

[Back to top](#)

Finland			
Administrative and case law	WHT	10 Oct 2016	The Finnish tax administration determined that a German special investment fund was exempt from Finnish withholding tax (WHT) on dividends paid from sources in Finland. Read more
Administrative and case law	WHT	25 Oct 2016	The Finnish tax administration determined, based on a taxpayer's advance ruling application, that a Delaware LLC was comparable to a Finnish special investment fund and thus exempt from withholding tax on dividends from Finnish sources. Read more

[Back to top](#)

France			
Administrative and case law	Dividend distributions	3 Oct 2016	The French Constitutional Court (<i>Conseil Constitutionnel</i>) issued a judgment concluding an exemption from a 3 percent tax that normally is imposed on dividend distributions (the exemption from the 3 percent tax applies for dividends distributed within French tax groups) is unconstitutional. Read more

[Back to top](#)

Ireland			
Tax legislation adopted and regulatory update	Various tax areas	11 Oct 2016	The Government announced the details of Budget 2017 on Tuesday 11 October. For a complete list of commentary and insights from Ireland's leading tax team on what the budget means for businesses, Read more .

[Back to top](#)

Luxembourg			
Proposed legislation	Various tax areas	12 Oct 2016	The Luxembourg government presented a draft law for the 2017 budget. The draft law covers new tax measures including: <ul style="list-style-type: none">— further guidance for applying the arm's length principle— increase of the VAT threshold for small enterprises— abolishment of tax guarantee for new taxpayers— increase of family allowances— real estate tax exemption available for non-resident charities. Read more
Administrative and case law	VAT	7 Oct 2016	The Advocate General of the Court of Justice of the European Union (CJEU) released an opinion in the EC's case brought against Luxembourg (C-274/15) concerning an exemption from value added tax (VAT) for services provided by an "independent group of persons" to its members. Read more

[Back to top](#)

Malta			
Tax legislation adopted and regulatory update	Accounting	27 Oct 2016	Changes to the Maltese Companies Act generally reflect the transposition of the EU Single Accounting Directive into Maltese law. The key changes have an effective date of 1 January 2016. Read more
	Various tax areas	17 Oct 2017	In a budget speech before Parliament, Malta's Finance Minister announced economic indicators and

			a number of key tax measures. Read more
--	--	--	--

[Back to top](#)

Netherlands			
Proposed legislation	Beneficial owner	31 Oct 2016	A bill to implement the “ultimate beneficial owner” (UBO) registry in the Netherlands is expected to be presented soon, but given a recent decision of the French Constitutional Court, there are questions for the Dutch government to consider with regards to a publicly available UBO registry. Read more
KPMG publication	Various tax areas	20 Oct 2016	KPMG in the Netherlands has prepared an update of tax developments affecting the financial services sector. Included in the discussion are certain tax treaties, VAT, dividend tax and investment reform. Read more

[Back to top](#)

Nigeria			
Tax legislation adopted and regulatory update	Tax amnesty	6 Oct 2016	The Federal Inland Revenue Service (FIRS) issued guidance announcing a waiver of penalties and interest on certain tax arrears for the periods between 2013 and 2015. Read more

[Back to top](#)

Norway			
Proposed legislation	Various tax areas	11 Oct 2016	The Norwegian conservative government on 6 October 2016 published a proposed state budget plan for 2017. The tax proposals include a reduction in the corporate income tax rate to 24 percent, an increased tax burden for the financial sector and increases to “environmental taxes”. The proposals in the 2017 budget plan are subject to parliamentary discussions before a bill is presented to the Parliament. It is expected that a final vote on the budget would be before the end of 2016. Read more

[Back to top](#)

Poland			
Proposed legislation	VAT	5 Oct 2016	The Ministry of Finance on 23 September 2016 published a draft legislative amendment that would revise various laws in Poland including the value added tax (VAT) law. Read more
	Corporate income tax	25 Oct 2016	The Ministry of Finance released for comments a draft bill that would aim at developing a regime for companies operating in the real estate market as SRWNs (the Polish acronym for entities that are similar to real estate investment trusts (REITs) in other countries). Read more

[Back to top](#)

Serbia			
Tax legislation adopted and regulatory update	VAT	31 Oct 2016	The Ministry of Finance of the Republic of Serbia on 28 September 2016, adopted guidance concerning value added tax (VAT) records. They later postponed compliance obligations with respect to VAT calculation until January 2018. Read more and for the postponement article, click here .

[Back to top](#)

Switzerland			
Tax legislation adopted and regulatory update	VAT	3 Oct 2016	The Swiss Parliament unanimously approved a "small revision" to VAT legislation. The new provisions most affect foreign companies and are expected to be effective 1 January 2018. Read more
	Corporate tax	13 Oct 2016	Set to enter into force in 2019, Vaud's third corporate tax reform (CTR III-VD) offers a package that will place the canton among the most attractive in the country. Given its heavy reliance on special-status companies, a successful reform at federal level is urgently needed. Vaud is still one of the Swiss cantons with the highest tax rates for individuals. Read more
	Corporate tax	25 Oct 2016	The UK's new anti-hybrid rules will affect "hybrid arrangements" beginning 1 January 2017, and therefore could affect payments by a UK entity to a Swiss company. Read more

[Back to top](#)

UK			
Tax legislation adopted and regulatory update	Corporate tax	28 Oct 2016	From 6 April 2017, Inheritance Tax (IHT) will be chargeable on all UK residential property, regardless of ownership structure. These new IHT rules affect all non-UK domiciled individuals (non-doms) whether they are a resident in the UK or not. Read more
	Corporate tax	21 Oct 2016	The interim regime for securitization companies has been extended to apply to periods of account ending before 1 January 2037. Read more
Proposed legislation	Corporate tax	7 Oct 2016	Draft legislation has been released for consultation on consequential amendments for the taxation of corporate debt and derivative contracts. Read more
Administrative and case law	Various tax areas	28 Oct 2016	The Court of Appeal has mainly allowed the taxpayer's appeal in this case concerning the UK's historic Bad Debt Relief rules. Read more
	Various tax areas	7 Oct 2016	This High Court decision relates to a restitutionary claim from a taxpayer enrolled in the Controlled Foreign Companies (CFC) and Dividend Group Litigation Order (GLO). Read more
KPMG publication	Brexit	5 Oct 2016	On 5 October 2016 KPMG in the UK held a Global webinar exploring the tax implications of Brexit: slides and recording available. Read more

[Back to top](#)

kpmg.com/socialmedia



kpmg.com/app



[Privacy](#) | [Legal](#)

© 2016 KPMG International Cooperative ("KPMG International"), a Swiss entity. Member firms of the KPMG network of independent firms are affiliated with KPMG International. KPMG International provides no client services. No



member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

Designed by Evalueserve.
Publication Number: 134120C-G