



International Tax Asia Pacific and MENASA April 2017

This e-newsletter gives you an overview of international tax developments being reported globally by KPMG firms in the Asia Pacific and MENASA regions between **1 April and 30 April 2017**.

Asia	Global	Singapore
Australia	India	Thailand

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
Asia			
KPMG publication	BEPS	12 Apr 2017	A report prepared by the KPMG member firm in China discusses why MNCs focused on the digital economy need to be aware of global discussions surrounding taxation on digital economy business. Read more

[Back to top](#)

Australia			
Tax legislation adopted and regulatory update	Penalties	10 Apr 2017	There have been a number of legislative changes aimed specifically at Significant Global Entities (SGEs). These measures include the Multinational Anti Avoidance Legislation, the Diverted Profits Tax, Country-by-Country Reporting and General Purpose Finance Statements. Legislation has now been passed to materially increase administrative penalties for SGEs with effect from 1 July 2017. Read more
Tax legislation adopted and regulatory update	AEOI	21 Apr 2017	The Australian Taxation Office on 21 April 2017 updated guidance on the automatic exchange of information (AEOI) related to the FATCA and common reporting standard (CRS) regimes. The new

			guidance reflects additions and revisions to certain sections. Read more
Proposed legislation	Loss recoupment (operating losses)	1 Apr 2017	Legislation was introduced into Parliament proposing to relax the loss recoupment rules by introducing a more flexible 'similar business test'. Businesses that have changed ownership and fail the continuity of ownership test (COT) can now access past year tax losses or bad debt write-offs by meeting either the 'same business test' or the new 'similar business test' (collectively the 'business continuity test'). The rules apply widely to businesses. Read more
Administrative and case law	Leasing	18 Apr 2017	In 2016, the Australian Taxation Office (ATO) released a Taxpayer Alert raising significant concerns around the operation of leasing structures in Australia. Cross border leasing is now a significant focus area for the ATO – audit activity is being undertaken in relation to leasing structures and additional ATO guidance is being drafted. Read more

[Back to top](#)

Global			
KPMG publication	BEPS	19 Apr 2017	This report discusses how the global M&A landscape is changing due to BEPS recommendations. It notes that with macroeconomic indicators pointing in the right direction following sustained global economic uncertainty, and initial fears over Brexit subsiding, there's optimism that global M&A activity will continue trending upward in 2017. Read more

[Back to top](#)

India			
Tax legislation adopted and regulatory update	Patent box regime	4 Apr 2017	The government in India has created a concessional taxation regime for patent income to encourage local research and development (R&D) activities and to make India a global R&D hub. Read more
Tax legislation adopted and regulatory update	Foreign Direct Investment	1 Apr 2017	The Reserve Bank of India issued a notification in March 2017 to address concerns and to bring about changes to the foreign direct investment regulations in limited liability partnerships (LLPs). The regulatory framework is now clearer for Singapore investors and other foreign investors to use LLPs to invest in India. Read more

Administrative and case law	M&A	17 Apr 2017	The government of India has released guidance providing rules with respect to mergers and amalgamations between a company registered under the Companies Act and a foreign company (and vice versa). Read more
Administrative and case law	Amalgamating companies	26 Apr 2017	The Supreme Court of India held that waiver of interest due by an amalgamating company to financial institutions is taxable in the hands of the amalgamated company under section 41(1) of the Income-tax Act, 1961. Read more

[Back to top](#)

Singapore			
Administrative and case law	Investment incentives	4 Apr 2017	Singapore's 2017 budget enhances two of its programs to attract companies to use Singapore as a base to conduct international physical trading activities and treasury management activities. Read more
Administrative and case law	Capital restructuring	6 Apr 2017	The Income Tax Board of Review disallowed a tax deduction for interest expense from shareholder bonds issued by the taxpayer. The bonds were a restructured form of capital from equity interests previously held by the shareholders. Read more
Administrative and case law	Corporate entities	17 Apr 2017	The Monetary Authority of Singapore issued a consultation paper on a legislative framework for a new corporate structure — Singapore variable capital company (S-VACC) — that would be tailored as a collective investment scheme. Read more

[Back to top](#)

Thailand			
Proposed legislation	Permanent establishment	27 Apr 2017	New tax rules on permanent establishment and e-commerce to be introduced in Thailand. The Thai Revenue Department (TRD) is aiming to improve and increase revenue collection from the e-commerce business. This article discusses the implication of impact of the proposed changes on the application of double tax treaties. Read more

[Back to top](#)

kpmg.com/socialmedia



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

© 2017 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: 134414B-G