



# KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | Content to 18 January 2018



## Asia Pacific Tax Developments

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### Australia

#### **Australia: Plenty of change on the way in 2018**

KPMG Australia highlights the upcoming changes in the Australia tax landscape for 2018.

[More details](#)

#### **Australia: Practical compliance guidance for FBT exempt vehicles**

The Australian Taxation Office (ATO) has released the draft Practical Compliance Guideline on the compliance approach to determining private use of vehicles. The draft PCG sets out a “safe harbour” methodology to apply the car and residual motor vehicle fringe benefit exemption in subsections 8(2) and 47(6) of the Fringe Benefits Tax Assessment Act 1986.

[More details](#)

#### **Australia: Reforming administration of tax deductible gift recipients**

The Federal Government recently announced reforms relating to the administration and conduct standards for organisations with Deductible Gift Recipient (DGR) status.

Some of the key reforms include:

- Automatic registration of all non-government DGRs.
- Removal of duplicate reporting requirements
- Introduction of external conduct standards for DGRs
- Improving transparency of the Charities and Not-for-profits Commission
- The disclosure of environmental reporting requirements by environmental organisations in the Annual Information Statement

- The amendment of eligibility criteria for the Register of Cultural Organisations to permit organisations promoting Indigenous languages to be endorsed as DGRs.

[More details](#)

### **Australia: When is a road a 'public road'?**

Businesses that use fuel in heavy vehicles (vehicles with a gross vehicle mass over 4.5 tonnes) that travel on 'public roads' are entitled to claim a fuel tax credit (FTC). However, FTCs for fuel used for travel on a public road must be reduced by the road user charge, which results in an FTC of only 14.5 cents per litre, based on current rates. This is in contrast to the full FTC rate (currently, 40.3 cents per litre) available for fuel used for travel other than on a public road. KPMG Australia reviews a case which discusses whether a toll road is a public road for the purposes of fuel tax credits.

[More details](#)

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## **China**

### **China: China Customs Issued the Interim Administrative Measures on Advance Ruling**

The General Administration of Customs ("GAC") has recently issued the Interim Administrative Measures on Advance Ruling which will come into effect on 1 February 2018. The Measures look at:-

- Eligibility for advance ruling applications
- Time limit and in-charge customs office
- Advance ruling decision

[More details](#)

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## **India**

### **India: Ex-gratia from employer for settling industrial dispute is eligible for exemption under Section 10(10B) of the Income-tax Act**

The Ahmedabad Bench of the Income-tax Appellate Tribunal held that the taxpayer is entitled to an exemption under section 10(10B) of the Income-tax Act, 1961, with respect to the ex-gratia amount received by the taxpayer under an "out-of-court" settlement for termination of service. The exemption is available to individual taxpayers in situations when the compensation received at the time of retrenchment as calculated under the Industrial Disputes Act, 1947.

[More details](#)

### **India: Jaipur Tribunal's decision on revenue recognition in case of real estate developer**

Recently, the Jaipur Bench of the Income-tax Appellate Tribunal dealt with the issue with respect to revenue recognition in the case of real estate developer. With respect to revenue recognition on registered sales deeds, where entire amount of consideration received, the Tribunal held that the taxpayer should not recognise the entire revenue collected as it is obliged to perform the specified development activities even after the sale deeds have been duly executed in favour of buyers. The revenues in such cases should therefore be recognised on proportionate basis by applying percentage completion method.

[More details](#)

## India: KPMG Tax Assemblage - 2017

KPMG in India compiled a list of Tax Flash News released in 2017.

[More details](#)

## India: Liberalisation of the Foreign Direct Investments Policy

Another set of amendments to the foreign direct investment policy has been announced in key sectors including single-brand retail trading, civil aviation, and construction development. The aim is to simplify the foreign direct investment norms and to encourage foreign direct investment into India.

[More details](#)

## India: The amendment with respect to specified domestic transaction by the Finance Act, 2017 is deemed to be omitted from its inception

The Bangalore Bench of the Income-tax Appellate Tribunal in the case of Texport Overseas Private Limited held that once a particular provision of section is omitted from the statute, it shall be deemed to be omitted from its inception unless and until there is some 'saving clause or provision' to make it clear that action taken or proceeding initiated under that provision or section would continue and would not be left on account of omission.

[More details](#)

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## Singapore

### Singapore: Brazil changes to "tax haven" and "privileged tax regimes" lists

Costa Rica, Madeira, and Singapore have been removed from the list of "tax havens" in Brazil. The changes were published in the official gazette in late December 2017

[More details](#)

### Singapore: Pre-Budget 2018 Report

This pre-Budget 2018 report examines how should policymakers enhance Singapore's growth strategy for the digital economy and the various types of support that companies require for future growth.

[More details](#)

### Singapore: What's on SMEs' wishlist for 2018

In this issue of Tax Alert, KPMG in Singapore gives some considerations to what a wish list for local enterprises should look like in the run-up to Singapore Budget 2018.

[More details](#)

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## Vietnam

### Vietnam: FATCA technical guidance

The banking authority of Vietnam has issued technical guidance for implementing the FATCA regime.

[More details](#)

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# Significant International Tax Developments



## OECD: Panama signs CRS multilateral competent authority agreement

The Organisation for Economic Cooperation and Development (OECD) announced that a representative of the government of Panama has signed the common reporting standard (CRS) multilateral competent authority agreement (CRS MCAA).

[More details](#)

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## Calendar of Events

Date	Event	Location
28 February 2018	Commitment to change: Get on the TRAIN <a href="#">More details</a>	Dusit Thani Manila The Philippines

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## Beyond Asia Pacific

### EU: E-News from KPMG's EU Tax Centre

E-News provides you with EU tax news that is current and relevant to your business. KPMG's EU Tax Centre compiles a regular update of EU tax developments that can have both a domestic and a cross-border impact. CJEU cases can have implications for your country.

[More details](#)

### United States: KPMG report: Accounting for U.S. tax reform under IFRS

A report in question and answer (Q&A) format addresses certain frequently asked questions about the IFRS financial reporting implications of U.S. tax reform, and includes a comparison to U.S. GAAP.

[More details](#)

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## TaxNewsFlash by Region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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