



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 17 October 2019



Asia Pacific Tax Developments

Australia

[ATO's proposals could subject non-residents to tax](#)

The Australian Taxation Office (ATO) released drafts of two taxation determinations that may have the effect of bringing non-residents into the Australian “tax net”—notwithstanding that there is no gain sourced in Australia.

[Directors take note – Superannuation guarantee exemption now law](#)

KPMG Australia discuss a new law which provides a mechanism to stop multiple employers from having to make superannuation contributions for a director that may sit on multiple boards.

[Fuel tax credits: Four-year amendment period questions remain](#)

The ATO releases a decision impact statement on recent judgements related to a taxpayer’s fuel tax credit claim.

[Taxing times for foreign resident beneficiaries](#)

KPMG Australia discuss two draft taxation determinations which may disincentivise foreign resident investors.

[Tracing of testamentary trust distributions proposed](#)

KPMG Australia discuss a proposal where income distributions to minors may need to be derived from deceased estate property before qualifying for concessional tax treatment.

India

[User guides under FATCA, CRS regimes](#)

India's tax authority released an updated version of user guides for the reporting portal and "quick reference" guides pursuant to the FATCA and common reporting standard (CRS) regimes.

Indonesia

[Upstream oil and gas activities; tax incentives for cost allocations](#)

Regulation No. 122/PMK.03/2019, relating to upstream oil and gas activities, sets forth measures about the tax treatment for shared facilities and for claiming head office cost allocations.

Myanmar

[Advance income tax for imports, exports; other trade-related items](#)

Revisions in 2019 to the advance income tax system in Myanmar removed exemptions for taxpayers under the jurisdiction of the "large taxpayers' office" and the "medium taxpayers' office" sections of the tax authority.

New Zealand

[Consultation on land holding costs and new China DTA](#)

Key features of the new DTA include lower withholding rates and a revised Permanent Establishment article.

[Income tax treaty with China](#)

Earlier this year, representatives of the governments of New Zealand and the People's Republic of China signed a new income tax treaty.

© 2019 KPMG International Cooperative ("KPMG International"), a Swiss entity. Member firms of the KPMG network of independent member firms 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.

[Tax treatment of land “holding costs”](#)

A consultation document released this week considers the tax treatment of “holding costs” (such as interest, rates, insurance, and repairs and maintenance) associated with owning land that is taxable on sale, and considers the tax deductibility of these costs for a range of “use” scenarios.

[Transfer pricing focus in life sciences sector](#)

The ATO is currently actively focused on the pharmaceuticals and life sciences industry. As an industry dominated by multinational organisations and cross-border value chains, international tax issues and transfer pricing are at the heart of the ATO’s focus.

Singapore

[New user guide under FATCA, effective 1 April 2020](#)

The Inland Revenue Authority of Singapore (IRAS) published a new user guide—IRAS Supplementary XML Schema User Guide for Preparing the FATCA Reporting Data File—to provide additional guidance to reporting “Singapore-based financial institutions” (SGFIs) on requirements concerning certain data elements under the FATCA regime.

Taiwan

[Tax relief available for foreign corporations receiving Taiwan-source income](#)

The Ministry of Finance announced relief measures available for certain foreign companies not having a permanent establishment in Taiwan but that receive Taiwan-sourced income.



Significant International Tax Developments

[OECD: Proposal to address digital economy tax issues, “Pillar One” approach](#)

The Organisation for Economic Cooperation and Development (OECD) released a proposal to advance international negotiations in an effort to determine that certain “large and highly profitable” multinational enterprises (MNEs)—including digital companies—pay tax wherever they have significant consumer-facing activities and generate their profits.

© 2019 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.

[OECD releases “Unified Approach” proposal for taxing multinationals](#)

The OECD has released, for consultation, a proposal developed to address challenges with taxing multinationals operating cross-border.



Beyond Asia Pacific

[Canada: Proposed tax policies ahead of general election](#)

Ahead of Canada’s general election on 21 October 2019, the three political parties (Conservative, Liberal, and New Democratic) have released tax policies concerning areas like Corporate tax rates and incentives, International corporate tax, Individual (personal) tax, Child and family care, Real estate measures, Environmental measures, and Administrative measures.

[Czech Republic: Electronic reporting of sales; 10% VAT on food services, e-books](#)

Legislation enacted in the Czech Republic requires businesses and entrepreneurs to comply with rules for mandatory electronic reporting of sales (in particular, businesses that were previously exempted from these requirements will be subject to these rules). The last step of the phased-in compliance with the requirements for mandatory electronic reporting of sales is expected to begin in May 2020.



TaxNewsFlash by region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

© 2019 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.



KPMG Asia Pacific Tax Centre Contacts

Asia Pacific Regional Leader, Tax



David Linke
Head of Tax & Legal,
KPMG Asia Pacific
T : +61 29335 7695
E : davidlinke@kpmg.com.au

Asia Pacific Tax Centre Leader, Regional Tax Partner



Brahma D Sharma
Chief Operating Officer, Tax & Legal
KPMG Asia Pacific
T : +65 8186 7369
E : brahmasharma@kpmg.com.sg

Service Line Specialists

Transfer Pricing Services



Tony Gorgas
Asia Pacific Regional Leader,
Transfer Pricing Services
KPMG International
T : +61 2 9335 8851
E : tgorgas@kpmg.com.au

Research & Development (R&D) Tax Incentives



Alan Garcia
Asia Pacific Regional Leader,
R&D Tax Incentives
KPMG International
T : +61 3 9288 6094
E : afgarcia@kpmg.com.au

Indirect Tax Services



Lachlan Wolfers
Asia Pacific Regional Leader,
Indirect Tax Services
KPMG International
T : +852 2685 7791
E : lachlan.wolfers@kpmg.com

© 2019 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.



KPMG Asia Pacific Tax Centre Contacts

Global Compliance Management Services and Financial Services



Jenny Clarke
Asia Pacific Regional Leader,
Global Compliance
Management Services and
Financial Services
KPMG International
T : +61 2 9335 7213
E : jeclarke@kpmg.com.au

Global Mobility Services



Ben Travers
Asia Pacific Regional Leader,
Global Mobility Services
KPMG International
T : +61 3 9288 5279
E : btravers1@kpmg.com.au

International Tax



Christopher Xing
Asia Pacific Regional Leader,
International Tax
KPMG International
T : +8610 8508 7072
E : christopher.xing@kpmg.com

Deal Advisory M&A Tax



Angus Wilson
Asia Pacific Regional Leader,
Deal Advisory M&A Tax
KPMG International
T : +61 2 9335 8288
E : arwilson@kpmg.com.au

Dispute Resolution and Controversy



Angela Wood
Asia Pacific Regional Leader,
Dispute Resolution and
Controversy
KPMG International
T : +61 3 9288 6408
E : angelawood@kpmg.com.au

Legal Services



Stuart Fuller
Asia Pacific Regional Leader,
Legal Services
KPMG International
T : +61 2 9458 1590
E : stuartfuller@kpmg.com.au

Trade & Customs



Leonie Ferretter
Asia Pacific Regional Leader,
Trade & Customs Services
KPMG International
T : +61 2 9455 9330
E : lferretter@kpmg.com.au

© 2019 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.



KPMG Asia Pacific Tax Centre Contacts

Market Sector Specialists

Energy & Natural Resources



Carlo Franchina
Asia Pacific Regional Tax
Leader, Energy & Natural
Resources Sector
KPMG International
T : +61 8 9263 7239
E : cfranchina@kpmg.com.au

Insurance



John Salvaris
Asia Pacific Regional Leader,
Insurance Sector
KPMG International
T : +61 3 9288 5744
E : jsalvaris@kpmg.com.au

Sovereign Wealth and Pension Funds



Angus Wilson
Asia Pacific Regional Leader,
Sovereign Wealth and Pension
Funds Sector
KPMG International
T : +61 2 9335 8288
E : arwilson@kpmg.com.au



<https://home.kpmg.com/xx/en/home/services/tax/regional-tax-centers/asia-pacific-tax-centre.html>

www.kpmg.com/tax

kpmg.com/socialmedia



© 2019 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 information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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