



KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 19 March 2020



Asia Pacific Tax Developments

Australia

[Government establishes business liaison unit on coronavirus \(COVID-19\)](#)

The Australian government announced the establishment of a new coronavirus business liaison unit within Treasury. The role of the unit will be to engage with peak business groups on systemic issues relating to coronavirus so that these are addressed by the government.

[States announce tax relief, economic stimulus responses to coronavirus \(COVID-19\)](#)

The Australian states of Queensland, New South Wales, and Western Australia announced economic stimulus and tax relief measures in direct response to COVID-19.

[Tax relief for businesses affected by coronavirus \(COVID-19\)](#)

The Australian Taxation Office (ATO) announced that it will implement a series of administrative measures to assist Australians experiencing financial difficulty as a result of the coronavirus (COVID-19) outbreak.

India

[A Mauritian company does not constitute an Agency PE in India on account of distribution of a sports channel by its subsidiary in India](#)

The Bombay High Court held that the Mauritius company does not constitute an agency permanent establishment ('PE') in India under the India-Mauritius Tax treaty on account of distribution of its sports channel by the Indian subsidiary.



[Disallowance of expenditure under Section 14A does not apply to insurance business](#)

The Delhi High Court held that the provisions for disallowance of expenditure related to exempt income are not applicable to insurance business.

[GST Council meeting update held on 14 March 2020](#)

The recent GST Council meeting has primarily focused on addressing the issues concerning the IT related grievances faced by taxpayers and accordingly have announced certain key decisions, such as the deferment of the simplified return schemes and the resultant continuation of the existing compliance mechanism, postponing the introduction of the electronic invoice mechanism, and the extension of the filing of the annual return for FY 18-19.

[India tax connect](#)

This publication talks about the direct and indirect tax schemes in India.

[Payments to foreign attorneys for rendering services in the field of IPRs are FTS under Section 9\(1\)\(vii\) of the Income-tax Act](#)

The Kolkata Bench of the Income-tax Appellate Tribunal held that the payments made to foreign attorneys for rendering services in the field of IPR are FTS and the payment does not fall within the exception carved out under Section 9(1)(vii) of the Income tax Act, 1961.

Japan

[Additional extensions of tax return filing, payment deadlines due to coronavirus \(COVID-19\)](#)

Japan's national tax agency announced extensions of payment due dates for individual taxpayers who use an automatic bank transfer, with further extensions to May 2020.

[Extended Due Dates and Grace Period Rules](#)

KPMG in Japan sets out in this e-Tax News extended due dates and grace period rules released from the National Tax Agency and Tokyo Metropolitan Government Bureau of Taxation.

Malaysia

[Forms for tourism sector to apply to defer tax payments](#)

The Malaysian Inland Revenue Board issued the forms to be used as applications to defer tax instalment payments for six months and revise income tax estimates in the month of the third instalment payment for all companies.

[Indirect tax challenges, coronavirus \(COVID-19\)](#)

Taxpayers with indirect tax obligations in Malaysia need to consider certain actions in response to the challenges presented by the coronavirus (COVID-19) pandemic.

New Zealand

[Tax relief in government's response to coronavirus \(COVID-19\)](#)

New Zealand's government recently released a fiscal and economic response to the COVID-19 pandemic. The amount of the proposed relief is equivalent to approximately 4% of New Zealand's annual GDP.

Singapore

[New income tax treaty with Indonesia](#)

Representatives of the governments of Singapore and Indonesia in February 2020 signed a new income tax treaty - one that introduces a capital gains article (not included in the existing Treaty).

Thailand

[Tax relief measures in response to coronavirus \(COVID-19\)](#)

The Thai government introduced several tax relief measures in response to the coronavirus (COVID-19) outbreak. The tax relief measures include reduced withholding tax rates, an enhanced rate of deduction for interest payments made by certain taxpayers, and tax return filing extensions.



Calendar of events

Date	Event	Location
06 April 2020	<u>Tax Talk: Preparing You for the Tax of the Future</u> Contacts: <u>Karen Lee</u>	Xchange, Level 10, KPMG Tower, Petaling Jaya, Malaysia



Beyond Asia Pacific

[Canada: Enhanced capital cost allowance, certain “green” vehicles and equipment](#)

Canada’s Department of Finance announced it will propose a temporary enhanced first-year capital cost allowance (CCA) rate of 100% for qualifying zero-emission off-road automotive vehicles and equipment, acquired on or after 2 March 2020.

[Netherlands: VAT treatment of composite services, fund management](#)

An opinion by the Advocate General of the Court of Justice of the European Union (CJEU) concludes that a single service can only be subject to a single value added tax (VAT) treatment and that the exemption for the management of special investment funds does not apply to the service purchased by the taxpayer.



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



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

© 2020 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

© 2020 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



© 2020 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.