



# KPMG Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | 23 September 2021



## Asia Pacific Tax Developments

### Australia

#### [Tax measures in 2021-2022 budget \(Western Australia\)](#)

The Western Australia budget for 2021-2022 includes property tax proposals but no significant changes to the state's tax regime. The existing off-the-plan transfer duty rebate for multi-story developments would be extended at 50% for a further two years to October 2023.

### China

#### [Local tax supplementing VAT and consumption tax](#)

This new UMCT is a type of local tax that is assessed and levied as a supplement to the value added tax (VAT) and consumption tax. It is levied as a type of turnover tax, assessed on a base that is itself a tax. But it is not a creditable tax.

### Hong Kong (SAR), China

#### [Taxation of share grants when subject to forfeiture provisions \(court decision\)](#)

The Court of First Instance held that the economic benefit derived from a grant of shares was subject to taxation at the time of the grant of the shares—despite the fact that the shares were subject to certain forfeiture provisions

## India

### [No disallowance under Section 14A where investments are made out of common funds and interest-free funds are higher than the amount invested in tax-free securities](#)

The Supreme Court in the case of South India Bank Ltd has held that disallowance of expenditure incurred in relation to exempt income is not attracted where the tax-free investments are made from mixed funds and the interest-free funds of the taxpayer are higher than the amount of tax-free investment.

## Indonesia

### [Ratification of tax treaties with UAE and with Singapore](#)

Income tax treaties between Indonesia and the United Arab Emirates and between Indonesia and Singapore have been ratified pursuant to the ratification procedures in Indonesia.

## New Zealand

### [Draft legislation proposes changes to GST and income tax](#)

The New Zealand government tabled a draft bill (Taxation (Annual Rates for 2021-22, GST and Remedial Matters) Bill) containing policy and remedial amendments addressing goods and services tax (GST) and income tax policy.

## Singapore

### [New release of transfer pricing guidelines](#)

The Inland Revenue Authority of Singapore released its sixth edition of the e-tax guide on transfer pricing guidelines.

### [Determining when certain machinery is excluded from property tax \(court decision\)](#)

The Court of Appeal disagreed with a taxpayer company's attempt to treat the value of its wind tunnel machinery as being excluded from Singapore's property tax.

## Taiwan

### [Customs requirements when making one-time transfer pricing adjustments](#)

The Taiwan Customs Bureau released "Guidelines on assessing one-time TP adjustment to determine the dutiable value", which clarify the customs requirements for a taxpayer who would like to make a transfer pricing adjustment on imported goods.

# Vietnam

## [Guidance for businesses recovering and reopening operations \(COVID-19\)](#)

Resolution No. 105/NQ-CP provides guidance intended to support enterprises, cooperatives, and businesses in the context of the Covid-19 pandemic.

## [Corporate income tax incentives, taxpayers involved in certain activities](#)

Enterprises with taxable income from certain activities including education, vocational training, healthcare, culture, sports, and environment are eligible for certain corporate income tax incentives



## Calendar of events

Date	Event	Location
28 September 2021	<a href="#">What to expect and how to manage transfer of talents into Malaysia: From a Tax and Immigration Perspective</a> Contact: <a href="#">Tax Events</a>	Webinar
5 October 2021 – 9 November 2021	<a href="#">KPMG Asset Management and Private Equity Tax – Asia Pacific Webinar Series</a> Contact: <a href="#">Jessica Luk</a> at +852 2685 7620.	Webinar



## Beyond Asia Pacific

### [Costa Rica: Tax incentives to attract “digital nomad” workers](#)

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New legislation establishes a framework of incentives—including an income tax exemption—in an effort to attract “digital nomads” to relocate to Costa Rica.

### [Norway: Proposed amendments to petroleum tax law](#)

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The government proposed significant amendments to the petroleum tax law prior to yesterday’s parliamentary election. The proposal would amend the current rules on accelerated depreciation and the “uplift allowance” under the special petroleum tax regime



## TaxNewsFlash by region

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)



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