



Significant International Tax Developments



BEPS: Current status of implementation in various countries

All base erosion and profit shifting (BEPS) final reports, together with a plan for the follow-up work and a timetable for their implementation, were presented at the G20 Finance Ministers' meeting on 8 October 2015. The G20 Finance Ministers endorsed the final package of BEPS measures and renewed a commitment for rapid, widespread, and consistent implementation of the measures. The package will now be submitted to the G20 Leaders for discussion and action at their meeting on 15-16 November 2015 in Turkey.

A KPMG report lists the 15 different actions of the BEPS action plan. Several countries recently indicated that they envisage implementing or have implemented country-by-country (CbC) reporting and other transfer pricing disclosure requirements based on Action 13 of the BEPS action plan.

[More details](#)

Australia: Are you ready for change?

KPMG's Global Head of Tax, Greg Wiebe, shares his thoughts on changes to the business environment, the profession and perceptions about tax in society. Greg welcomes the challenge and opportunity of updating the international tax system to reflect the modern economic reality.

[More details](#)

Australia: Government's initial response to BEPS final reports

The Treasurer, Scott Morrison, outlined Australia's response to the release of the OECD's BEPS Package.

In general, the response and actions taken by Australia indicate that the Australian government believes that BEPS is an important issue regarding the protection of the Australia revenue base.

[More details](#)

Australia: Transfer Pricing in a BEPS world

A number of BEPS final reports released on 5 October 2015 featured Transfer Pricing. In particular Actions 8-10 provide guidance designed to ensure that transfer pricing outcomes are aligned with value creation and Action 13 (Country-by-Country reporting) will enhance transparency. The guidance takes the form of amendments to various chapters of the OECD's Transfer Pricing Guidelines.

[More details](#)

China: Tax administration's response to BEPS

China's State Administration of Taxation has issued guidance that largely clarifies how China plans to apply or "localize" the OECD's BEPS recommendations. Specifically, a discussion draft on "special tax adjustments" was issued by China's tax authorities in September 2015, and this draft addresses China's "localization" of the BEPS actions related to transfer pricing and controlled foreign corporations. With this guidance, it appears increasingly possible to foresee what parts of the BEPS agenda will (or will not) be adopted by China, and if implemented by China, the manner of adoption.

[More details](#)

India: BEPS action plans in nutshell

KPMG in India provides a brief summary of the final deliverables for the OECD-G20 Action Plan released on 5 October 2015.

[More details](#)

New Zealand: Path to BEPS implementation

The OECD provided a blueprint for preventing "double non-taxation" through the BEPS recommendations presented last week. Governments—including New Zealand—will now need to consider BEPS implementation, with domestic and political considerations taking centre stage.

If New Zealand decides to implement the OECD's recommendations, what could taxpayers expect? A key area to monitor will be interest deductibility.

The New Zealand government's proposals are expected to work their way through the generic tax policy process in due course.

[More details](#)

Asia Pacific Tax Developments

Australia

Australia: Lighter touch GST for cross border transactions

The Government released a consultation Exposure Draft on 7 October 2015 which:

- brings into the Goods and Services Tax (GST) system non-residents who supply intangibles and services to Australian resident end consumers
- takes out of the GST system non-residents who supply, through their overseas business, intangibles and services to GST registered businesses.

Submissions are required to be lodged by 21 October 2015.

[More details](#)

Australia: Tax voices – Tax White Paper – rebooting reform

KPMG Australia's Indirect Tax National Leader, Nick Kallinikios, introduces Andrew Bragg from the Financial Services Council (FSC) who outlines how the Tax White Paper will reboot tax reform. The FSC represents Australia's leading wealth managers and the interests of their fund investors, superfund members and life insurance policy holders.

[More details](#)

China

China: Proposed changes to foreign investment laws

Proposed amendments to China's foreign investments laws, if enacted, could affect the investment landscape. The proposals are currently in draft form, but there are reports that these changes could be enacted and made effective within the next 18 months.

Key points of interest include:

- consolidation and simplification of the various strands of China's foreign investment laws to effect parity of treatment regardless whether foreign or domestic company
- impact on pre-existing investment structures and peculiarities around restricted and prohibited industries for foreign investments in certain industries, etc.

[More details](#)

Hong Kong SAR

Hong Kong: Update on CRS, automatic exchange of tax information

The Hong Kong tax authorities released a "consolidated response" to the comments received with respect to the Common Reporting Standard consultation paper, issued in April 2015.

The tax authorities stated that the government is committed to an "automatic exchange of information" regime for tax matters and that there will be legislative proposals for implementing the new international standard.

[More details](#)

India

India: CBDT issues further clarifications under the Black Money Act, 2015

Recently, CBDT considered various issues raised by the stakeholders and issued further clarifications on the Black Money Act to address stakeholder queries.

[More details](#)

India: Tax treatment for consideration for providing access to internet, email and networking facilities which provide a gateway to call centers

The Delhi Tribunal, in the present case held that consideration received by a foreign company for providing access to its internet, email and networking facilities by which it provides a gateway that will facilitate call centers for incoming and outgoing calls from India to the USA and vice-versa is taxable as royalty under the Act and under the India-USA tax treaty.

[More details](#)

FATCA: Competent Authority arrangement with India

The IRS has posted text of a Competent Authority arrangement (CAA) between the United States and India, pursuant to provisions of the intergovernmental agreement (IGA) that was signed in July 2015 to implement the FATCA regime.

[More details](#)

India: Key excerpts from the Draft Reports on the Goods and Services Tax business processes released for stakeholder consultation

After a long gap, the Government has published its draft Reports on business processes for Goods and Services Tax in the public domain. This might help businesses to get a better idea of the likely framework of GST. The purpose of these documents is to invite comments/suggestions from the public. It reflects upon the positive outlook of the government, as businesses and other stakeholders require to get involved in the GST framing process to make it more robust and less cumbersome.

KPMG in India summarises the key excerpts from the draft Reports.

[More details](#)

India: Various tax regulatory developments – October 2015

KPMG in India has prepared a report to keep you informed of the developments on tax and regulatory front and its implications on the way you do business in India. [More details](#)

Calendar of Events

Date	Event	Location
20-22 October 2015	Global Financial services view BEPS webcasts <ul style="list-style-type: none"> ▪ Banking – register here ▪ Insurance – register here ▪ Asset Management – register here 	
23 October 2015	Malaysian Tax Budget 2016	Malaysia
26-28 October 2015	2015 KPMG EMA Tax Summit More details	Lisbon, Portugal
28 October 2015	KPMG Malaysia Tax Summit 2015 For more details email Karen Lee	Malaysia
12 November 2015	KPMG Banking Risk & Regulations Conference 2015 More details	Singapore
24 November 2015	KPMG Goods and Services Tax (GST) Seminar: Zero-rating of Services and Difference Between Reimbursement and Disbursement More details	Singapore
9 December 2015	Managing Employer's Tax Obligations For more details email Carmen Yong	Petaling Jaya, Malaysia

Beyond Asia Pacific

Mexico: Tax-focused investments in energy projects

A new investment-focused program in Mexico—FIBRA E—is intended to provide for the securitization of “mature” energy and infrastructure projects so as to provide funding and resources for future investments in new projects and to support the energy industry.

[More details](#)

Overview of Budget for 2016

The overview of 2016 Budgets for Belgium, Ireland, Norway, Zambia have been released, and each contain proposals affecting corporate, individual and indirect taxes in the respective countries.

[Belgium](#) | [Ireland](#) | [Norway](#) | [Zambia](#)

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



Warrick Cleine
Partner & CEO, KPMG in Vietnam
T: +84 8 3821 9266
E: warrickcleine@kpmg.com.vn

Asia Pacific Tax Centre Leader, Regional Tax Partner



Brahma Sharma - KPMG Asia Pacific Limited
Asia Pacific Tax Centre Leader, Regional Tax Partner
T: +65 8186 7369
E: brahmasharma@kpmg.com.sg

Asia Pacific Regional Client Service Team

Regional Client Partner



Rick Asquini - KPMG in Singapore
Regional Client Partner
T: +65 6213 3300
E: rickasquini@kpmg.com.sg

Regional Client Business Development Director



Van Mumby - KPMG in Singapore
Regional Client Business Development Director
T: +65 6597 5061
E: vanmumby@kpmg.com.sg

Asia Pacific Indirect Tax Compliance Centre of Excellence



Adrienne Mcstocker - KPMG in Singapore
Regional Leader, Asia Pacific Indirect Tax Compliance
T: +65 6597 5810
E: amcstocker1@kpmg.com.sg

Service Line Specialists

Transfer Pricing Services



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

Financial Services Transfer Pricing



John Kondos - KPMG China
Asia Pacific Regional Leader, Transfer Pricing Services in the Financial Services Sector
T: +852 2685 7457
E: john.kondos@kpmg.com

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 endeavour 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 upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2015 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, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International, a Swiss entity.

Indirect Tax Services



Lachlan Wolfers - KPMG China
Asia Pacific Regional Leader,
Indirect Tax Services
T: +85 22 685 7791
E: lachlan.wolfers@kpmg.com

Trade & Customs



Angelia Chew - KPMG in Singapore
Asia Pacific Regional Leader,
Trade & Customs Services
T: +65 6213 3768
E: angeliachew@kpmg.com.sg

Global Compliance Management Services



Oi Leng Mak - KPMG in Singapore
Asia Pacific Regional Leader,
Global Compliance Management Services
T: +65 6213 7319
E: omak@kpmg.com.sg

Global Mobility Services



Andy Hutt - KPMG Australia
Asia Pacific Regional Leader,
Global Mobility Services
T: +61 2 9335 8655
E: ahutt@kpmg.com.au

International Tax



Christopher Xing - KPMG China
Asia Pacific Regional Leader,
International Tax
T: +852 2978 8965
E: christopher.xing@kpmg.com

Deal Advisory M&A Tax



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

Research & Development (R&D) Tax Incentives



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

Dispute Resolution and Controversy



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

Legal Services



David Morris - KPMG Australia
Asia Pacific Regional Leader,
Legal Services
T: +61 2 9455 9999
E: davidpmorris@kpmg.com.au

Market Sector Specialists

Financial Services



Christopher Abbiss - KPMG China
Asia Pacific Regional Tax Leader,
Financial Services and Banking Sector
T: +852 2826 7226
E: chris.abbiss@kpmg.com

Alternative Investments & Private Equity



Simon Clark - KPMG in Singapore
Asia Pacific Regional Tax Leader,
Alternative Investments and Private
Equity sector
T: +65 6213 2152
E: simonclark1@kpmg.com.sg

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 endeavour 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 upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2015 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, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International, a Swiss entity.

Sovereign Wealth and Pension Funds



Angus Wilson - KPMG Australia
Asia Pacific Regional Leader,
Sovereign Wealth and Pension Funds
Sector

T: +61 2 9335 8288

E: arwilson@kpmg.com.au

Energy & Natural Resources



Carlo Franchina - KPMG Australia
Asia Pacific Regional Tax Leader,
Energy & Natural Resources Sector

T: +61 8 9263 7239

E: cfranchina@kpmg.com.au

Insurance



John Salvaris - KPMG Australia
Asia Pacific Regional Leader,
Insurance Sector

T: +61 3 9288 5744

E: jsalvaris@kpmg.com.au

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

www.kpmg.com/tax

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 endeavour 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 upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2015 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, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International, a Swiss entity.