



Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | Content to 28 April 2016



Asia Pacific Tax Developments

Australia

Australia: Federal Budget 2016

On Tuesday 3 May 2016, the Commonwealth Treasurer, The Honourable Scott Morrison MP will deliver Australia's 2016–2017 Federal Budget.

KPMG Australia discusses the likely reduction in the company tax rate, growing GDP, higher real wages, foreign investment and thin capitalization.

[More details](#)

Australia: The R&D tax incentive deadline is coming...

KPMG Australia alerts innovative companies of the 30 April 2016 registration deadline for the Research and Development (R&D) Tax Incentive.

KPMG recommends companies register as early as possible to avoid possible processing delays by AusIndustry and to leave time to address any issues that may arise in preparing your R&D Registration application.

[More details](#)

Australia: The solution for managing your ongoing Jobs Action Plan claims

With the significant cash incentives being offered under the NSW Jobs Action Plan (JAP) and the extension of the scheme through to 30 June 2019, KPMG has developed the Jobs Action Plan Rebate Scheme (JAPRS) Calculator to assist organisations with managing their ongoing claims until 2021 via the automated solution.

[More details](#)

Australia: Victoria stamp duty changes

Victorian Treasurer, Tim Pallas, has revealed that the 2016/17 Victorian Budget would increase the surcharges for:

- duty on residential property from 3 percent to 7 percent from 1 July 2016 and
- land tax from 0.5 percent to 1.5 percent from 1 January 2017.

This will mean an effective land tax rate of 3.7 percent and duty rate of 12.5 percent for affected non-residents.

[More details](#)

India

India: APA for earlier year may apply, determining “tested party”

The Delhi Bench of the Income-tax Appellate Tribunal held that foreign related parties, that are the “least complex” entities in the transaction, must be selected as tested parties for the purpose of determining arm’s length nature of international transactions.

While doing so, the tribunal gave due consideration to a prior advance pricing agreement (APA) reached between the taxpayer and the Central Board of Direct Taxes under which the facts were similar to the year under consideration.

[More details](#)

India: CBDT issues draft rules on Foreign Tax Credit

India’s Central Board of Direct Taxes (CBDT) issued draft rules concerning a foreign tax credit and specifying the procedure for granting relief for income taxes paid in another country of foreign territory.

[More details](#)

India: Enactment of Maharashtra Tax Laws (Levy, Amendment, and Validation) Bill 2016

In accordance with the various Budget announcements made in the State Budget for the Financial year 2016-17, Government of Maharashtra has introduced the Maharashtra Tax Laws (Levy, Amendment and Validation) Bill, 2016 for amending, among others, various provisions in the Maharashtra VAT Act and Maharashtra Profession Tax Act.

[More details](#)

India: Withdrawn restrictions on provident fund early withdrawals

The Ministry of Labour and Employment announced changes to the Employees’ Provident Funds Scheme, 1952 imposing restrictions on early withdrawals of full accumulated balances in provident fund accounts of employees.

[More details](#)

Japan

Japan: Country-by-country reporting requirements

A new transfer pricing regime in Japan, effective 1 April 2016, generally puts into effect the provisions under Action 13 of the OECD's base erosion and profit shifting (BEPS) project requiring country-by-country (CbC) reporting.

[More details](#)

Myanmar

Myanmar: Updated lists of economic activities for foreign investment

New guidance – notification 26/2016 – issued by the Myanmar Investment Commission updates the rules concerning economic activities with respect to foreign investment. The activities range from those that are prohibited, to those that are allowed under specific conditions (such as activities allowed only in the form of a joint venture with citizens of Myanmar).

[More details](#)

Significant International Tax Developments



OECD: Comments, discussion draft on treaty entitlement of non-CIV funds

The OECD released the public comments received with respect to a discussion draft on treaty entitlement of non-CIV funds.

[More details](#)

Calendar of Events

Date	Event	Location
9 – 12 May 2016	2016 KPMG Asia Pacific Tax Summit More details	Beijing
21 October 2016	2017 Budget Announcement Contact person: Karen Lee	Parliament House, Kuala Lumpur, Malaysia
26 October 2016	KPMG in Malaysia Tax Summit 2016 Contact person: Karen Lee	One World Hotel, Petaling Jaya, Malaysia

Beyond Asia Pacific

Mexico: Update of business record retention rules

A decree published in the official journal in April 2016 provides changes to the commercial accounting standards to allow for electronic documentation retention rules.

[More details](#)

WTO: Agreement on transfer pricing, customs valuation

The World Trade Organization this week announced the finalization of a new agreement on transfer pricing and customs valuation. The action was finalized by the WTO's technical committee on customs valuation, and the WTO "instrument" contains a case study illustrating a scenario under which customs authorities took into account transfer pricing information in the course of verifying the customs value.

[More details](#)

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

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

Indirect Tax Services



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

International Tax



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

Deal Advisory M&A Tax



Angus Wilson - KPMG in 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 in China
Asia Pacific Regional Leader,
R&D Tax Incentives
T: +86 21 2212 3509
E: alan.garcia@kpmg.com

Dispute Resolution and Controversy



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

Legal Services



David Morris - KPMG in 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 in 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

Sovereign Wealth and Pension Funds



Angus Wilson - KPMG in 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 in Australia

**Asia Pacific Regional Tax Leader,
Energy & Natural Resources Sector**

T: +61 8 9263 7239

E: cfranchina@kpmg.com.au

Insurance



John Salvaris - KPMG in Australia

**Asia Pacific Regional Leader,
Insurance Sector**

T: +61 3 9288 5744

E: jsalvaris@kpmg.com.au

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