



Asia Pacific Tax Weekly

KPMG Asia Pacific Tax Centre | Content to 19 January 2017



Asia Pacific Tax Developments

Australia

Australia: Are you on track with your superannuation guarantee obligations?

KPMG Australia reminds employers to ensure they are complying with their superannuation guarantee obligations.

Industry super funds have also led the discussion around the inquiry to address the significance of the issue for millions of Australians.

[More details](#)

Australia: ATO Guidance on related party marketing hubs – Game of Zones

KPMG Australia examines the six different transfer pricing (TP) risk categories or 'zones' in the ATO's compliance approach to offshore related party marketing hubs.

[More details](#)

Australia: Country-by-country reporting – what do I need to do?

KPMG Australia answers some common questions asked by taxpayers as they navigate through the new process of country-by-country reporting obligations.

[More details](#)

Australia: Expatriates and the 183-day myth

KPMG Australia discuss the persistent 183-day myth for expatriate employees and the true application of Dependent Personal Services (DPS).

Regardless of their residency position, an individual working in Australia would generally be subject to income tax on employment income under Australian domestic law.

[More details](#)

Australia: High Court rules on unit trusts

KPMG Australia analyses the recent High Court decision regarding unit trusts in the ElecNet case.

The High Court in *ElecNet (Aust) Pty Ltd v Commissioner of Taxation* ('ElecNet') [2016] HCA 51 confirmed that the ordinary meaning should be attributed to the term "unit trust". This was so notwithstanding that Division 6C of the ITAA 1936 defines the term 'unit' broadly and inclusively as "a beneficial interest, however described, in any of the income or property of the trust estate".

[More details](#)

Australia: TOFA accruals is like High School English

KPMG Australia dives into the options available to taxpayers when calculating TOFA accruals.

The Taxation of Financial Arrangements (TOFA) accruals rules provide taxpayers with a number of choices and options when it comes to accruing gains and losses on financial arrangements.

[More details](#)

Cambodia

Cambodia: 2017 Law on Financial Management (LoFM)

KPMG in Cambodia shares the technical updates on the 2017 Law on Financial Management.

[More details](#)

Cambodia: Prakas on the Tax Obligation of Multi-Project Enterprises

The Ministry of Economy and Finance (MEF) issued a new Prakas no. 1127 MEF, on the tax obligation of enterprises with multi-projects, mainly intended for Qualified Investment Project (QIP) enterprises.

The Prakas covers QIP enterprises with multiple projects, non-QIPs subject to different rate of Tax on Profit (ToP) and enterprises with QIP and non-QIP activities (multi-project enterprises).

[More details](#)

China

China: New rules to strengthen supervision of foreign currency transactions

The People's Bank of China published the Administrative Measures on Reporting for Large-Value Transactions and Suspicious Transactions in Financial Institutions (People's Bank of China Order [2016] No. 3) (referred to as Order No. 3 hereinafter) on 30 December 2016, which shall take effect from 1 July 2017.

[More details](#)

China: Transaction tax relief, Shenzhen-Hong Kong Stock Connect

Guidance issued by the authorities in China is intended to clarify preferential tax treatment available with respect to certain share trades on the Shenzhen-Hong Kong Stock Connect.

[More details](#)

India

India: Foreign tax credit allowed on basis of “gross receipts”

The Ahmedabad Bench of the Income-tax Tribunal held that the foreign tax credit is generally applicable with respect to “income”—and not “gross receipts.” However, due to the unique facts of the case being considered, the tribunal allowed the taxpayer’s claim for foreign tax credit on the basis of “gross receipts.”

[More details](#)

India: PANs and reporting of cash transactions

The Central Board of Direct Taxes issued guidance with respect to permanent account numbers (PANs) reflecting the links to bank accounts with PAN/Form No. 60. The rules were also amended to provide details of bank accounts in which cash deposits were made during the demonetisation period and making this information available to tax officers.

[More details](#)

India: “Tax sparing” credit

The Hyderabad Bench of the Income-tax Appellate Tribunal held that: (1) the “tax sparing” credit is allowed on the interest income under the India-Cyprus income tax treaty; (2) payment for clinical trials is not taxable as “fees for technical services” under the India-United States income tax treaty; and (3) post-merger, weighted deduction on scientific research expenditure is allowed to the merged entity.

[More details](#)

New Zealand

New Zealand: 2016 reflections and 2017 crystal ball gazing

KPMG in New Zealand looks back on 2016 to see what may shape the tax space in 2017. Business Transformation and BEPS are likely to continue to be important themes. Together with these, the NZ election and the impact of global events (including US election & BREXIT) are expected to dominate 2017’s agenda.

[More details](#)

Singapore

Singapore: Pre-budget 2017 report

The pre-Budget 2017 report examines what companies are doing in the midst of this challenging environment and what can be done to help them develop into enterprises of the future.

[More details](#)

Singapore: Updated transfer pricing guidelines released

The Inland Revenue Authority of Singapore in January 2017 released new transfer pricing guidance.

The new guidance includes detailed information about transfer pricing concepts and methods, as well as sections on the mutual agreement procedure (MAP) and advance pricing arrangements (APAs).

[More details](#)

Beyond Asia Pacific

Canada: New Tax Treaty with Taiwan Enters into Force

Canadian Finance recently announced that the new Canada-Taiwan tax treaty has entered into force

[More details](#)

Peru: Tax reform includes increased corporate income tax rate

The tax reform measures—including changes to the corporate tax law, to the provisions regarding the exchange of information, and concerning transfer pricing measures—are effective beginning 1 January 2017.

[More details](#)

TaxNewsFlash by Region

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

[Africa](#)

[Americas](#)

[Europe](#)

[United States](#)

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