

Asia Pacific Financial Services

Tax Highlights

April 2022

Welcome to our April 2022 edition of Asia Pacific Financial Services Tax Highlights, where we draw your attention to the latest developments and hottest issues for the industry in the region.

We encourage you to get in touch with any one of our contacts listed, or your usual PwC contact, should you wish to discuss anything further.

Legend:

This development is relevant to the following:

- AWM** Asset & Wealth Management
- BCM** Banking & Capital Markets
- INS** Insurance
- FS** All

Australia

FS

The latest monthly tax updates include:

- The Australian Taxation Office (ATO) released website guidance on the tax impacts of IBOR reforms.
- Guidance for Top 1,000 taxpayers preparing for a combined assurance review

Mainland China

FS

Our 2021 China Tax Policy Review and 2022 Outlook is now available. It summarises the key tax policy developments in China in 2021 and discusses the trends and implications on Chinese enterprises from a forward-looking perspective.

Hong Kong SAR

FS

AWM

- Following the announcement by the Financial Secretary in Hong Kong's 2022/23 Budget in February 2022, the Government launched a consultation on a proposal to provide tax concession for family-owned investment holding vehicles managed by single family offices in Hong Kong. The consultation ended on 8 April 2022. Click here to read more.

More publications and news relating to the financial services industry are available here.

India

FS

In February 2022, India and UAE signed a comprehensive economic partnership agreement (CEPA) covering approximately 90% of bilateral trade between the two countries. Click here for more information.

In addition, in April 2022, India and Australia signed a comprehensive economic cooperation and trade agreement (ECTA), which covers approximately 90% of the bilateral trade between the two countries. Click here to read more.

More tax and regulatory insights are available here.

Indonesia

FS

- Aside from the increase in the Value-Added Tax (VAT) rate from 10% to 11%, the Harmonisation of Tax Regulations (HPP) Law also enhanced the mechanism relevant to the 'Final' VAT rate. Click here for details of the 'Final' VAT regime.
- On 30 March 2022, the Minister of Finance (MoF) issued PMK-681 that outlines the VAT and Income Tax treatment of Crypto Asset trading transactions. Click here for more information.

Click here for other tax updates and insights in Indonesia.



South Korea

FS

The latest updates include:

- MOEF plans to include the global minimum tax in the tax reform proposals for 2022.

Click [here](#) for more information.

Malaysia

FS

- The Income Tax (Global Trading Centre Incentive Scheme) Rules 2022 was gazetted and is effective from the year of assessment (YA) 2021. Read this [TaXavvy](#) for more details.
- The Income Tax (Exemption) Order 2022 was gazetted on 5 April 2022 to provide exemption from Cukai Makmur on the foreign-sourced income received in Malaysia. The Exemption order is effective for YA 2022. More details are available [here](#).

Click [here](#) for other tax updates and insights in Malaysia.

New Zealand

FS

The latest updates include:

- On 16 March 2022, the Government released a discussion document for consultation, with significant proposals that will impact thousands of taxpayers across New Zealand. The discussion document states that the motivation of the proposals is to ensure the 39% personal tax rate increase is effective in raising additional tax revenue, by reducing the circumstances where a taxpayer is able to avoid the new 39% personal income tax rate by diverting income through entities that are taxed at a lower rate. Click [here](#) for our recent publication on this topic.
- New tax legislation is expected to be passed by Parliament shortly, including tax changes concerning cryptoassets. Click [here](#) to read more.

Philippines

FS

The latest tax updates include:

- Submission of the Certificate of Entitlement to Tax Incentives (CETI) under the 'Corporate Recovery and Tax Incentives for Enterprises (CREATE) Law'.

Other developments in tax and business law in the Philippines are also available [here](#).

Singapore

FS

In Budget 2022, the Minister announced that the Goods and Services Tax (GST) rate will increase in two steps from 7% to 8% on 1 January 2023 and from 8% to 9% on 1 January 2024.

For GST-registered businesses, they will need to plan ahead to address two rounds of costs and efforts to implement the GST rate change. Click [here](#) for more information.

Thailand

FS

- Ministerial Regulation No. 380, which was published in the Royal Gazette on 18 March 2022, was issued to allow losses from the transfer of cryptocurrencies or digital tokens to be deducted against gains therefrom in the same tax year, effective from 14 May 2018. Click [here](#) to read more.

Other tax and legal insights are also available [here](#).

International updates

FS

As outlined in our previous Tax Highlights, the OECD released the Commentary and the illustrative examples to the GloBE Rules on 14 March 2022. The Commentary provides technical guidance and elaborates on the application and operation of the GloBE Rules, which is intended to promote a consistent interpretation to facilitate coordinated outcomes for both tax administrations and multinational enterprise groups. Read our [News Flash](#) for the highlights and our observations on this topic.

For other international tax developments, updated on a monthly basis, please click [here](#).



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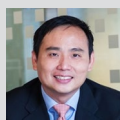
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