ITB International Tax Bytes
by Steve Towers

Recent Topics from ITB by Steve Towers
(Last 4 videos: 22 & 29 Jul; 5 & 12 Aug)

Recent topics (Last 4 videos)

Global topics

- **Pillar One**
  - Progress Report on Amount A: **22 Jul, 29 Jul**
  - African Tax Administration Forum: **5 Aug**
- **Pillar Two**
  - UK publishes draft legislation: **22 Jul**
  - Hungary / US treaty terminated: **22 Jul**
  - Mauritius and Malaysia: **5 Aug**
  - **GloBE model rules (detailed review)**
    - Art. 4.4.1 (Total Deferred Tax Adjustment Amount); Arts. 4.4.2 & 4.4.3: **29 Jul**
    - Arts. 4.4.4 & 4.4.5 (Deferred tax liability recapture): **5 Aug**
    - Art. 4.5 (GloBE Loss Election): **12 Aug**
- **Other global developments**
  - US: Inflation Reduction Act of 2022 (Corporate AMT): **29 Jul, 5 Aug, 12 Aug**
  - OECD: BEPS Action 5: **29 Jul**
  - UN: Windfall profits taxes on energy companies: **5 Aug**

International tax cases

- **Avana Global (India):** does Art. 8 exemption for international shipping profits cover inland transport?: **29 Jul**
- **"Remittance provision" case (Netherlands):** does Art. 2(5) of Malta / Netherlands treaty apply to income derived from third country?: **29 Jul**
- **BlackRock (UK):** interest deductibility on acquisition debt: "transfer pricing" issue and "unallowable purpose" issue: **5 Aug**
- **Northern Operating (India):** service tax on payments under secondment arrangement: **5 Aug**
- **Euromoney (UK):** applicability of anti-avoidance rule to design of third-party transaction: **12 Aug**

Asia Pacific

- **Australia**
  - "Warning" on treaty shopping arrangements: **22 Jul**
  - Extension of transitional period for central management & control: **22 Jul**
  - Rio Tinto agrees major tax settlement: **29 Jul**
  - Discussion paper on significant changes to MNE taxation: **5 Aug**
- **Hong Kong**
  - Amendments to foreign-sourced income exemption regime for passive income: **22 Jul**
  - Tax incentive for shipping industry: **29 Jul**
  - Intra-group share transfer by UK LLP qualifies for stamp duty exemption: **5 Aug**
- **India**
  - See "International tax cases" (above)
- **Korea**
  - 2022 tax reform plan: **29 Jul**
- **Malaysia**
  - Participation exemption for foreign-sourced dividends received in Malaysia: **22 Jul**
  - Time limit for carry forward of losses: **22 Jul**
  - Foreign fund management company: **5 Aug**
  - See “Pillar Two” (above)
- **New Zealand**
  - Business continuity test for carry-forward of tax losses: **5 Aug**
- **Philippines**
  - MAP regulations: **29 Jul**
- **Singapore**
  - GST for property developers: **5 Aug**
  - 9 updated GST guides: **12 Aug**
- **Taiwan**
  - Foreign tax credit limitation: **12 Aug**

Europe

- **Belarus**
  - Decree on GAAR: **12 Aug**
- **EU**
  - Public consultation on "enablers" of tax evasion and aggresive tax avoidance: **22 Jul**
  - "VAT in the digital age": **29 Jul**
- **France**
  - Windfall profits tax rejected: **29 Jul**
- **Germany**
  - "Transfer of functions" (transfer pricing): **22 Jul**
  - "Extraterritorial" taxation regarding German-registered IP: **5 Aug**
  - Deductions for software contract development: **12 Aug**
- **Hungary**
  - See "Pillar Two" above
- **Ireland**
  - Deductions for digital services taxes: **12 Aug**
- **Italy**
  - Withholding tax on dividends paid to US collective investment fund: **22 Jul**
- **Netherlands**
  - Transfer pricing decree: **22 Jul**
  - Decree on allocation of profits to PEs: **22 Jul**
  - "Exit" dividend withholding tax: **22 Jul**
  - See "International tax cases" (above)
- **Poland**
  - Corporate income tax changes: **22 Jul**
- **Romania**
  - Dividend withholding tax rate increased: **29 Jul**
- **Spain**
  - Windfall profits taxes: **22 Jul, 29 Jul**
  - Barcelona proposes tax on e-commerce operations: **5 Aug**
- **UK**
  - Public consultation on "foreign sovereign" immunity: **22 Jul**
  - Draft clauses for next Finance Bill: **29 Jul**
  - See "International tax cases" (above)
  - See “Pillar Two” (above)

Africa

- **African Tax Administration Forum**
  - See "Pillar One" (above)
- **Mauritius**
  - Character of distributions made by foreign fiscally transparent entities: **22 Jul**
  - See "Pillar Two" (above)
- **Mozambique**
  - Significant tax cuts: **12 Aug**

Americas

- **Brazil**
  - Deductions for royalties paid to "shareholder": **22 Jul**
- **Canada**
  - Draft legislation and consultation documents: **12 Aug**
- **Chile**
  - Tax reforms announced: **22 Jul**
  - Ruling on outbound payments under mixed contracts: **12 Aug**
- **Colombia**
  - Beneficial ownership condition: **29 Jul**
  - Tax reform bill: **12 Aug**
- **Puerto Rico**
  - 10.5% (and possibly 15%) replaces 4% excise tax: **5 Aug**
- **Uruguay**
  - Foreign-sourced income: **5 Aug**
  - Outbound profit repatriation by PE: **5 Aug**
- **US**
  - Technical corrections – foreign tax credit final regulations: **29 Jul**
  - "CHIPS" Act: advanced manufacturing investment credit for semiconductor manufacturing: **29 Jul, 12 Aug**
  - See "Pillar Two" (above)
  - See "Other global developments" (above)
- **Venezuela**
  - Special economic zones: **29 Jul**

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