

World Tax Advisor

A world of news with tax@hand.



OECD Pillar One blueprint on nexus, profit allocation challenges of digitalization issued

The Pillar One blueprint proposes rules on taxable presence in countries and profit allocation between countries to address tax challenges arising from digitalization, which include taxing rights not based on physical presence and fixed returns for certain marketing and distribution functions.

OECD Pillar Two blueprint on a global minimum tax issued

The Pillar Two blueprint proposes rules designed to ensure that large multinational businesses pay a minimum level of tax on all profits in all countries, including an income inclusion rule, an undertaxed payments rule, and a “subject to tax” rule.

For the latest developments from various countries on measures in response to COVID-19, please visit the [Deloitte tax@hand COVID-19 page](#).





Australia

Corporate tax residency definition to be amended

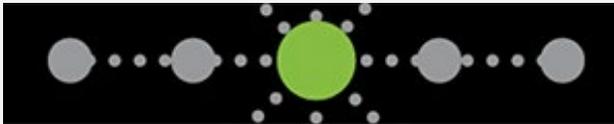
The government has adopted the Board of Taxation's recommendation that a non-Australian incorporated company will be treated as tax resident in Australia where the company's core commercial activities and central management and control are in Australia.



Czech Republic

Tax outlook for 2021

The Ministry of Finance has introduced amendments to the Income Taxes Act and the Real Estate Tax Act that generally are proposed to be effective as from 1 January 2021, some of which would affect a wide range of taxpayers.



European Union

CJEU rules Romanian TP law on transactions between branch, HO complies with EU law

The Court of Justice of the European Union has issued a decision that Romania's tax rules allowing the tax authorities to adjust branch profits where transactions with the head office are not at arm's length comply with the EU freedom of establishment principle.



Finland

Guidance on TRACE investor self-declaration released

The guidance from the tax authorities is based on the OECD Treaty Relief and Compliance Enhancement implementation package and requires an investor to provide certain information to an authorized intermediary so that the appropriate dividend withholding tax rate for nominee-registered shares can be applied at source.



Germany

Lower house of parliament approves ratification of MLI



India

The draft law to ratify the OECD multilateral instrument would reduce the number of the country's covered tax agreements from 35 to 14, since some treaty partners have not classified the relevant tax treaty as a covered tax agreement and for others the relevant treaty will be amended.

Legislation enacted to extend compliance deadlines and defer some FA 2020 measures

New legislation gives statutory effect to extended deadlines for certain direct and indirect taxes and rationalizes and amends various income tax provisions enacted in the Finance Act, 2020.



India

Policy for foreign direct investment in defense sector amended

Amendments to foreign direct investment policy are designed to promote self-reliance in the defense sector and expand India's presence in international supply chains by increasing investment limits in defense manufacturing and introducing conditions to ensure the quality of investors.



Luxembourg

CJEU AG issues preliminary VAT ruling on provision of vehicles to nonresident staff

The CJEU AG has opined that supplying a vehicle to an employee should be treated for VAT purposes as a service provided for consideration and taxable where the employee resides, but only if the employee contributed to the vehicle's costs.



Norway

Budget proposal includes WHT on certain interest, royalty, and lease payments

The government has proposed a 15% withholding tax on cross-border interest and royalty payments, as well as lease payments on certain large fixed assets, to related companies located in low-tax jurisdictions.



OECD

Report published on taxation of virtual currencies

The OECD has released a report with input from more than 50 jurisdictions that analyzes the taxation of virtual currencies and the approaches and policy gaps with respect to income, consumption, and property taxes.



Oman

CbC reporting requirements introduced for multinational enterprises

The tax authorities have issued country-by-country reporting requirements for multinational enterprises, which are effective for financial years commencing on or after 1 January 2020.



United States

New guidance includes final regulations addressing partnership withholding issues

Recent tax and administrative guidance includes final regulations on tax withholding and information reporting with respect to certain dispositions of interests in partnerships engaged in a trade or business within the US.

Have you visited Deloitte tax@hand?

Tax reform. Unprecedented change. Unique challenges. This is the future of tax. How can you stay ahead? Understand what changes are unfolding in the global tax landscape. Be informed so that you can turn change into opportunity. For the latest tax news and information from over 80 countries, [visit](#) tax@hand or [download](#) the tax@hand mobile app today.

Helpful Resources

[Subscribe to World Tax Advisor](#)
[World Tax Advisor archives](#)
[COVID-19 Tax & Financial Measures](#)
[COVID-19 response hub for tax and legal leaders](#)
[Business Tax](#)
[Deloitte International Tax Source](#)
[Join Dbriefs](#)
[Follow us on Twitter](#)

Have a question?

If you have any questions about the content in *World Tax Advisor*, please email [Sally Clurman](#) or [Karen Ebert](#).

Did someone forward you this message? Skip the grapevine. Receive this newsletter email by clicking on the [subscribe](#) link above to hear it first.

30 Rockefeller Plaza
New York, NY 10112-0015
United States

© 2020. For information, contact Deloitte Touche Tohmatsu Limited.



About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organization”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at www.deloitte.com.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.