

World Tax Advisor

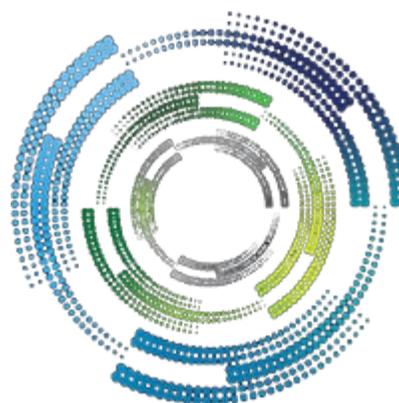
A world of news with tax@hand.



Spain's 2021 budget law includes measures affecting companies, individuals, and nonresidents

The budget law for fiscal year 2021 includes measures that limit the participation exemption and certain foreign tax relief and that increase tax rates for higher-income individuals, which generally apply as from 1 January 2021.

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



Belarus

Permanent establishments: What is new in 2021?

Certain amendments to the tax code have been implemented as from 1 January 2021 regarding the registration and reporting of permanent establishments, as well as clarification on certain exceptions to permanent establishment status.

Cambodia

MEF revises criteria for each taxpayer classification

New criteria are effective as from 1 January 2021 for the classification of taxpayers as small, medium-sized, or large, which primarily are based on annual turnover but may be based on asset value if the turnover is not accurately reflected in the taxpayer's books.



Cayman Islands

2019 CRS compliance form deadline extended to 15 September 2021

The Department for International Tax Cooperation has issued an advisory announcing the further extension of the 2019 Common Reporting Standard compliance form deadline, to accommodate the availability of a bulk upload functionality to be introduced prior to the revised deadline.



Costa Rica

Executive branch files bill with Congress to introduce taxation of global income

Pursuant to conditions set forth under an agreement with the International Monetary Fund, the bill submitted to Congress proposes replacing the territorial tax system with a worldwide tax system and also would change the tax rates for individuals and companies, with the standard corporate tax rate reducing to 27.5%.



India

Highlights of 2021/22 union budget

The finance minister has presented the 2021/22 union budget, which includes an expansion of the scope of the equalization levy, extensions to various tax incentives, and new procedures for tax appeals and rulings.



Indonesia

Updated implementing regulation for tax holiday facility issued

An implementing regulation has expanded the industries eligible for a tax holiday facility, established additional documentation required to pass the quantitative criteria test, abolished advance confirmations, and updated various application forms.



Luxembourg

Deduction will be denied for certain related entity payments as from 1 March 2021

The legislature has adopted rules disallowing tax deductions for interest and royalties due to



Mexico

Tax incentives granted in northern and southern border regions

Tax incentives granted in 2019 to taxpayers in municipalities in the northern border region,

related entities established in jurisdictions included in the EU list of noncooperative tax jurisdictions; the rules will be effective as from 1 March 2021.

including an income tax credit and a reduced VAT rate, have been extended through 2024 and similar tax incentives have been granted for municipalities in the southern border region from 2021 through 2024.



Oman

Tax authorities issue guidance on introduction of VAT as from 16 April 2021

The tax authorities have issued executive decisions and other guidance to assist businesses and individuals in preparing for the implementation of VAT, which include information on registration and steps businesses should take to be VAT compliant.



Portugal

Changes to real estate transfer tax and municipal property tax rules introduced

The 2021 budget law has introduced new rules affecting the real estate transfer tax and annual municipal property tax, which change the environment for real estate investors in Portugal and generally are effective as from 1 January 2021.

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