

World Tax Advisor

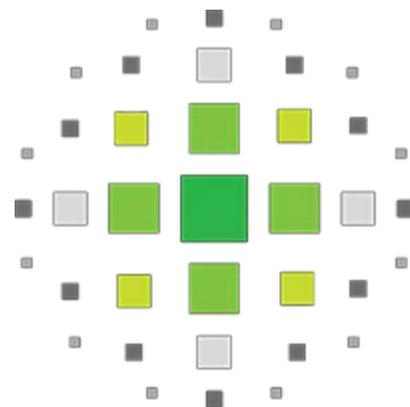
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Overview of updated transfer pricing administrative guidance from German tax authorities

The guidance from the Ministry of Finance – focusing on taxpayers’ duty to cooperate with the tax authorities, the burden of proof in transfer pricing matters, foreign language issues, and the tax authorities’ right to estimate the tax base – updates the 2005 administrative guidance on transfer pricing but leaves questions remaining that could lead to disputes between taxpayers and the tax authorities.

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



Botswana

Tax highlights of 2021/22 budget

The Minister of Finance and Economic Development has released the national budget for 2021/22, which contains several tax proposals including a tax amnesty, an increase in the withholding tax rate on dividends, and an increase in the standard VAT rate that was subsequently effected via an official notice.



Costa Rica

Tax treatment clarified for gains and losses relating to exchange rate differences

A new resolution has clarified that only realized exchange rate differences will be recognized for tax purposes, regardless of whether the exchange rate difference is subject to capital gains tax or income tax.



Greece

Offsetting pharmaceutical expenditure clawback with R&D, investment expenses for FY20

A joint ministerial decision sets out the procedure, specific terms and conditions, and general information needed to implement a law allowing pharmaceutical companies to offset their expenditure clawback with certain R&D and investment expenses, as well as the maximum expenditure that may be offset for fiscal year 2020.



Greece

Supreme Court decisions clarify concept of tax residence

The Supreme Court has issued two decisions in which it ruled that simply being appointed as an administrator of a Greek single-member private company or participating in the management of a corporation in Greece does not make an individual a Greek tax resident.



India

Expenditure on third party infrastructure development is a revenue expense, according to ITAT

Where a payment was not for the acquisition of any asset but for the long-term provision of infrastructure facilities on leased land that enabled the taxpayer to run its business operations more efficiently, the Mumbai bench of the tribunal ruled that such expenditure was revenue in nature and fully deductible in the relevant tax year.



Jersey

Consultation launched on extension of economic substance regime to partnerships

The government has launched a consultation on extending the scope of the economic substance regime to apply to partnerships; the consultation period runs through 1 March 2021, with the legislation expected to be effective as from 1 July 2021 for new partnerships.



New Zealand

R&D Tax Incentive Regime: Planning for the year ahead



Qatar

Tax authorities clarify transfer pricing reporting requirements

This article discusses how taxpayers can prepare themselves to meet the required deadlines under the R&D tax credit regime and provides an overview of the key dates, the general approval process, and the significant performer regime.



Singapore

Payments under separation agreement not taxable employment income, according to High Court

Payments made pursuant to a separation agreement entered into between an employer and employee were not taxable to the employee as employment income; the court ruled that the payments were not made under the original employment contract and were separate, nontaxable compensation for loss of employment.

The General Tax Authority has held a webinar providing additional clarification around the transfer pricing disclosure form, master file, and local file submission requirements.



United States

Government issues final regulations for small business taxpayer exceptions

The final regulations allowing small business taxpayers (other than tax shelters) to use the cash method of accounting generally adopt the proposed regulations but provide an annual election to simplify the tax shelter determination; the final regulations apply to tax years beginning on or after 5 January 2021.

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