

## World Tax Advisor

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### **Inland Revenue Authority of Singapore issues transfer pricing guidance on centralized activities in MNE groups**

The transfer pricing guidance that has been released for multinational enterprise groups with centralized activities covers economic value contributions, the analysis of activities between related parties, factors that may affect pricing, and appropriate transfer pricing methods.

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



#### **Czech Republic**

##### **2021 tax package under review by Constitutional Court**

The constitutionality of the legislative process for the 2021 tax package is under review and the legislation could be invalidated if the process is found not to have been in compliance with the constitution, which could result in new legislation being introduced with the same content.



#### **El Salvador**

##### **Calculation of special contribution by large taxpayers for fiscal year 2020**

This article discusses the procedures large taxpayers should understand to calculate the fiscal year 2020 special contribution; the period for the contribution has expired and the contribution is applicable for only part of 2020.



#### European Union

### **CJEU rules that Portuguese taxation of individual capital gains is contrary to EU law**

The Court of Justice of the European Union has decided in a ruling contrary to the Advocate General's opinion that the Portuguese tax regime applicable to capital gains realized by nonresident individuals is contrary to EU law and that the discriminatory tax treatment of nonresidents cannot be aligned with EU law by granting nonresidents the option to be treated as resident taxpayers.



#### Germany

### **Corporate law change could affect validity of profit and loss transfer agreements**

The Ministry of Finance has published a decree that provides guidance on the wording of the loss absorption provision in profit and loss transfer agreements, due to recent changes to the Stock Corporation Act; failure to make the necessary amendments by 31 December 2021 could invalidate existing tax consolidated groups.



#### Germany

### **MOF publishes decree expanding substance-based exception to CFC rules**

The Ministry of Finance has published a decree extending an exception from the controlled foreign company rules for EU/EEA resident companies with sufficient substance and activities in their jurisdiction of residence to non-EU/EEA resident companies, provided certain conditions are fulfilled.



#### Hong Kong

### **Proposed foreign tax deduction regime provides relief to tax residents and branches**

This article discusses the proposed amendments to the foreign tax deduction rules, which aim to provide relief to Hong Kong tax residents and branches with respect to foreign withholding taxes; changes likely will be effective from the year of assessment 2021/22.



## India

### **AAR rules on taxability of offshore supply, design services under composite contract**

The Authority for Advance Rulings has held that consideration received for basic engineering design services in relation to the construction and installation of a plant and associated detailed engineering advisory services was taxable in India as business income under the France-India tax treaty.



## OECD

### **Country profiles published for 30 jurisdictions applying arbitration under MLI**

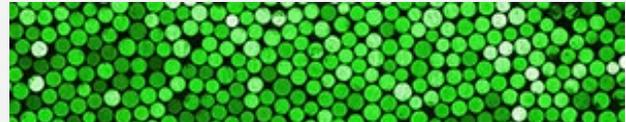
The OECD has published “arbitration profiles” for 30 jurisdictions that have chosen to adopt mandatory binding arbitration for the resolution of tax treaty disputes under the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting.



## Oman

### **New Economic Stimulus Plan includes extensive tax and other incentives**

The sultan has approved the Economic Stimulus Plan, which contains tax incentives for companies, fee reductions and exemptions, measures to encourage local and foreign business investment, targeted relief for small and medium-sized enterprises, labor and employment incentives, and relaxations of certain banking regulations.



## Qatar

### **GTA requires entities owned by resident individuals to file income tax returns**

The General Tax Authority has issued a circular that expands the requirement for filing income tax returns to all entities wholly owned by individuals resident in Qatar or Gulf Cooperation Council countries, regardless of share capital or annual revenue.



## United Kingdom

### **Further tax policy announcements made and new consultations issued on “Tax Day”**



## United States

### **“American Jobs Plan” includes significant corporate tax hikes**

The roughly USD 2 trillion American Jobs Plan would be fully paid for within the next 15

The UK Treasury and HM Revenue & Customs have published a paper outlining future tax changes that may be expected, the status of existing consultations, new proposals, and further consultations addressing tax avoidance.

years, in part through revenue-raising proposals announced during the 2020 presidential campaign.

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