

## World Tax Advisor

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### Greece introduces new tax measures including a retroactive corporate income tax rate reduction

The government has enacted various tax relief measures including a reduction in the corporate income tax rate as from fiscal year 2021, a reduction in advance tax payments for individual and corporate taxpayers, and exemptions from the special solidarity contribution for certain types of income.

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



#### Australia

### New tax rules proposed for determining tax resident status for individuals

The government announced in the federal budget 2021-22 its intention to propose legislation to determine when an individual is tax resident in Australia, with new rules likely not applying prior to 1 July 2022.



#### Germany

### Lower house of parliament approves law to implement EU anti-tax avoidance directive

The lower house of parliament has approved legislation to implement the EU anti-tax avoidance directive, which contains some changes from earlier proposals but retains provisions to implement the anti-hybrid rules

with retroactive effect for expenses incurred on or after 1 January 2020.



#### Guatemala

### **New UN transfer pricing manual may be helpful to Guatemalan taxpayers and authorities**

The third edition of the practical manual on transfer pricing for developing countries takes into account developments related to the OECD/G20 BEPS project and is intended to meet the need of such countries for clearer guidance on relevant considerations when applying a transfer pricing analysis to transactions of multinational enterprises.



#### India

### **CBDT notifies thresholds for significant economic presence**

The tax authorities have confirmed the relevant revenue and user thresholds for determining whether a nonresident taxpayer has a significant economic presence and, therefore, a business connection in India taxable on digital transactions. The significant economic presence concept will apply as from 1 April 2022.



#### India

### **Deduction for infrastructure activity income available against gross total income**

The Supreme Court has held that a profit-linked tax holiday in the form of a 100% deduction of profits and gains available to companies that develop, operate, and/or maintain qualifying infrastructure facilities may be set off to the extent of gross total income and cannot be restricted to business income.



#### Japan

### **Certain rental losses from overseas buildings may not offset aggregate income**

As from 1 January 2021, Japanese individuals using the simplified method to calculate the useful life of an overseas rental property no longer may offset rental losses derived from depreciation against their aggregate income; however, any disregarded rental losses may be added to the rental property's basis when calculating capital gains from a sale.



Jersey

## **Economic substance regime to be extended to partnerships**

Draft legislation before parliament would extend the economic substance rules to resident partnerships. The rules would apply to new and existing partnerships for financial periods commencing on or after 1 July 2021 and on or after 1 January 2022, respectively.



OECD

## **Opinion on interpretation and implementation of MLI approved**

The conference of parties to the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI) has approved principles for addressing questions regarding the interpretation and implementation of the MLI, including the modification of existing tax treaties by the MLI and the interaction between the provisions of the MLI and covered tax agreements.



Poland

## **Key points regarding CJEU ruling on Polish VAT rules for intracommunity acquisitions**

A recent Court of Justice of the European Union ruling that certain Polish input tax recovery provisions are incompatible with the EU principal VAT directive and principle of neutrality creates a potential opportunity for taxpayers to recover interest paid in relation to intracommunity acquisitions reported in the period from 2017 to 2021 that did not receive VAT-neutral treatment.



Taiwan

## **Draft amendments to regulations governing application of double tax agreements announced**

The Ministry of Finance's proposed amendments are in accordance with the OECD model tax treaty and may be indicative of provisions that Taiwan would seek to include in future double tax agreements or amend in existing double tax agreements in key areas such as a principal purpose test, tax residence, permanent establishment, and taxing rights.



United States

## IRS provides automatic consent and updates procedural guidance for CFC method changes

The Internal Revenue Service has issued guidance for controlled foreign corporations covering certain depreciation method changes, the treatment of adjustments resulting from such method changes in computing tested income and tested loss, and the limit on audit protection with respect to certain controlled foreign corporation method changes.



United States

## Treasury report addresses president's tax compliance proposals

A US Treasury Department report describes proposals in the president's American Families Plan for stricter enforcement of existing tax laws, additional Internal Revenue Service funding, and expanded information reporting requirements in an effort to narrow the "tax gap," which is the difference between the amount of tax owed to the government and the amount paid.

## Tax treaty round up

Recent developments with respect to the following tax treaties: Gabon-Saudi Arabia, Hungary-Iraq, Japan-Spain, Liechtenstein-Netherlands, Netherlands-Tajikistan, Rwanda-Turkey, Serbia-Singapore, and Slovenia-Sweden.

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