

Key financial services developments in Asia Pacific



Welcome to the latest edition of our Deloitte Asia Pacific Financial Services Tax newsletter.

In today's dynamic business environment, staying ahead of key financial developments is essential for informed decision-making. For this issue, we will delve into the realm of indirect tax, offering a comprehensive view of the most crucial indirect tax developments in the region.

We will cover the following topics:

- Singapore Fixed Input Tax Recovery (FITR)
- E-invoicing developments, including technology solutions and implementation strategies
- Apportionment developments, issues, and opportunities
- Recent case law developments on indirect tax
- Managing indirect tax compliance
- United Kingdom and European Union financial services Value-Added Tax (VAT) developments

We will also introduce the key members of our Asia Pacific financial services indirect tax team. Feel free to connect with us to exchange perspectives on the indirect tax developments in the region.

We hope you enjoy our newsletter.

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Alternative methods to calculating Goods and Services Tax (GST) input tax recovery in a Singapore banking context

There has been discussion about providing alternative options to the current Fixed Input Tax Recovery (FITR) regime in Singapore's banking sector. Explore how these alternative options could operate under the current law in Singapore, by drawing references and practices from outside of Singapore.



Central Electronic System of Payment Information (CESOP)— A significant European Union (EU) wide reporting requirement impacting payment service providers

CESOP places significant reporting obligations on the EU Payment Service Providers (PSPs) to report in-scope cross border payments processed. Read to find out more about the impact it will bring to businesses and how they can navigate these tax reporting obligations.



Centralising global indirect tax compliance

With a shift in the marketplace toward coordinated and centralised delivery, Deloitte Global Tax Centers has achieved centralised preparation of returns using our global digital solution, Deloitte indirect compliance tool. Check out on how this tool could streamline reporting and enhances efficiency.



Recent case law developments



Hannover Life Re of Australasia Ltd v Commissioner of Taxation

This addresses foundational issues of Goods and Services Tax (GST) recovery and apportionment. The principles considered are particularly relevant to taxpayers in the financial services and property sectors, and generally taxpayers who make both input taxed and non-input taxed supplies.



Herbalife International Singapore Pte Ltd v CGST [2023] SGHC 54

This involved Herbalife engaging in the “direct selling” of health products. In other words, Herbalife did not sell its products directly to consumers, but instead sold its products to members at a discount. The members would in turn sell the products to the end consumers at the undiscounted rate.



Insights on key financial services development



A panel interview with the Indirect Tax professionals

In the ever-evolving landscape of taxation, staying ahead of the curve is essential. In this exclusive article, we sit down with a panel of seasoned professionals to discuss the latest trends, challenges, and opportunities of Indirect Tax in Asia Pacific.



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Read full interview

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