

International Tax Review

Current information on
international tax
developments provided by EY
Austria

Tax Reform in Austria: Presentation of the Council of Ministers

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Presentation of the
Council of Ministers
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On 30 January 2020, the Austrian Council of Ministers presented measures for the next tax reform, which are essentially in line with the government program 2020 to 2024 (see our International Tax Review No. 01/2020 of 14 January 2020).

The following measures are planned to enter into force on 1 January 2021:

- ▶ Reduction of the entry income tax rate from 25% to 20%,
- ▶ The top income tax rate of 55% for taxable income exceeding EUR 1 million shall remain in force, and
- ▶ Focus on ecological components (uniform air ticket tax, revision of the truck tolling)

The following measures are planned to enter into force in 2022:

- ▶ Increase of the limit for immediate write-off of low-value fixed assets from EUR 800 to EUR 1.000,
- ▶ Reduction of the second level of the income tax rate from 35% to 30% and of the third level from 42% to 40%, and
- ▶ Further ecological measures (elaboration of a cost transparency for CO₂ emissions)

The reduction of the corporate income tax rate from 25% to 21% is not envisaged for 2021 and 2022.

OECD Developments

OECD Developments

- ▶ OECD releases IT-tools to support the implementation of TRACE and wider exchange of tax information [▶Read more](#)
- ▶ OECD releases consultation document on model rules for data reporting by platform operators for sellers in the sharing economy [▶Read more](#)
- ▶ OECD releases eighth batch of peer review reports on BEPS Action 14 [▶Read more](#)
- ▶ OECD hosts webcast on preliminary impact assessment and economic analysis of BEPS 2.0 project proposals [▶Read more](#)
- ▶ The Latest on BEPS and Beyond - February 2020 [▶Read more](#)
- ▶ OECD releases Consultation Document on the review of Country-by-Country Reporting [▶Read more](#)
- ▶ OECD releases final transfer pricing guidance on financial transactions [▶Read more](#)

EU Developments

EU Developments

- ▶ ECOFIN publishes revised list of non-cooperative jurisdictions for tax purposes and adopts two reforms of existing VAT rules [▶Read more](#)
- ▶ European Commission opens public consultation into collection and exchange of taxpayer information from digital platform providers [▶Read more](#)
- ▶ EU Code of Conduct Group publishes six-month Work Programme under EU's Croatian Presidency [▶Read more](#)

Argentina

Country Updates

- ▶ Argentine Congress to take up bill with changes to promotional regime for knowledge-based economy [▶Read more](#)
- ▶ Argentine court allows taxpayer to allocate entire negative inflation adjustment to tax year to which it corresponds [▶Read more](#)

Australia

- ▶ Australia's Significant Global Entity definition expanded, impacting tax integrity laws (DPT and MAAL), reporting requirements (CbCR and general-purpose financial statements) and related penalty provisions [▶Read more](#)

Botswana

- ▶ Botswana's Finance Minister delivers 2020/21 Budget Speech [▶Read more](#)

Country Updates

Bulgaria

- ▶ Bulgaria enacts final legislation to implement Mandatory Disclosure Rules [▶Read more](#)

Canada

- ▶ Canada: Alberta issues budget 2020-21 [▶Read more](#)
- ▶ Canada: Northwest Territories issues budget 2020-21 [▶Read more](#)
- ▶ Canada: Nova Scotia issues budget 2020-21 [▶Read more](#)
- ▶ Canada: Nunavut issues budget 2020-21 [▶Read more](#)
- ▶ Canada - British Columbia issues budget 2020-21 [▶Read more](#)
- ▶ Canada: Investment limited partnerships face SLFI compliance obligations [▶Read more](#)

Colombia

- ▶ Colombian Tax Authority addresses application of most-favored nation clause of double tax treaties signed by Colombia [▶Read more](#)

Costa Rica

- ▶ Costa Rica's General Directorate of Customs updates Customs Procedures Manual [▶Read more](#)

Croatia

- ▶ Croatia passes Law to implement Mandatory Disclosure Rules [▶Read more](#)

Cyprus

- ▶ Cyprus Tax Authorities publish 10-year government bond yield rates for NID purposes [▶Read more](#)
- ▶ Cyprus expands treaty network as of 1 January 2020 [▶Read more](#)

Dominican Republic

- ▶ Dominican Republic's Executive Branch enacts voluntary disclosure program and tax amnesty [▶Read more](#)

Ecuador

- ▶ Ecuador's tax reform eliminates dividend tax exemption and modifies VAT rules [▶Read more](#)

Country Updates

Equatorial Guinea

- ▶ Equatorial Guinea publishes Financial Law 2020 [▶Read more](#)

France

- ▶ French tax authorities confirm postponement of Digital Services Tax payments for 2020, but 2019 payments remain due [▶Read more](#)

Germany

- ▶ German Ministry of Finance publishes guidance on royalty deduction limitation rule [▶Read more](#)

Ghana

- ▶ Ghana: Transfer pricing update for first quarter 2020 [▶Read more](#)

Gibraltar

- ▶ Gibraltar enacts final legislation to implement Mandatory Disclosure Rules [▶Read more](#)

Greece

- ▶ Greece introduces amendments to the taxation of ships [▶Read more](#)

Guatemala

- ▶ Guatemala allows airlines engaged in international transport services to deduct costs and expenses generated outside of Guatemala [▶Read more](#)

Hong Kong

- ▶ Hong Kong releases 2020/21 Budget [▶Read more](#)
- ▶ Hong Kong introduces tax concessions for ship lessors and ship leasing managers [▶Read more](#)
- ▶ Hong Kong announces 2020/21 Budget proposal [▶Read more](#)

India

- ▶ India's CBIC notifies mandatory GST e-invoicing for businesses with turnover exceeding INR100 crore [▶Read more](#)

Country Updates

Indonesia

- ▶ Indonesia and Singapore sign new tax treaty [▶Read more](#)

Italy

- ▶ Italy modifies technical specification rules on e-invoices [▶Read more](#)

Kenya

- ▶ Kenya Revenue Authority and National Social Security Fund roll out unified payroll return [▶Read more](#)

Latvia

- ▶ Latvia publishes draft proposal to implement Mandatory Disclosure Rules [▶Read more](#)

Luxembourg

- ▶ Luxembourg: Reporting implications of revised EU list of non-cooperative jurisdictions for tax purposes [▶Read more](#)

Malaysia

- ▶ Malaysia announces Economic Stimulus Package 2020 including Indirect Tax measures [▶Read more](#)

Malta

- ▶ Malta enacts legislation to implement Mandatory Disclosure Rules [▶Read more](#)

Mexico

- ▶ Mexico's tax reform significantly affects operations implemented via the shelter regime [▶Read more](#)

New Zealand

- ▶ New Zealand Inland Revenue releases GST Policy Issues Paper [▶Read more](#)

Country Updates

Norway

- ▶ Norwegian Government proposes introduction of withholding tax on interest and royalties paid to nonresident related parties [▶Read more](#)

Panama

- ▶ Panama included on EU list of non-cooperative jurisdictions for tax purposes [▶Read more](#)

Poland

- ▶ Polish administrative court rules on "look-through" approach related to withholding tax on interest paid through a bank account of a Korean real estate trust [▶Read more](#)
- ▶ Poland: MDR reports for cross-border tax arrangements must be re-submitted to the National Fiscal Administration in 2020 [▶Read more](#)

Portugal

- ▶ Portugal publishes revised draft legislation on Mandatory Disclosure Rules [▶Read more](#)

Puerto Rico

- ▶ Puerto Rico Treasury Department will not impose penalties for informative returns filed after 3 March [▶Read more](#)

Romania

- ▶ Romania enacts final MDR legislation [▶Read more](#)

Rwanda

- ▶ Rwanda establishes subsidy contributions from employees for Community-Based Health Insurance Scheme [▶Read more](#)
- ▶ Rwanda grants tax amnesty until 30 June 2020 [▶Read more](#)

Saudi Arabia

- ▶ Saudi Customs launches self-correction program for import transactions [▶Read more](#)

Singapore

- ▶ Singapore releases Budget 2020 [▶Read more](#)

Country Updates

- ▶ Indonesia and Singapore sign new tax treaty [▶Read more](#)

South Africa

- ▶ South Africa's Minister of Finance delivers 2020 Budget Review [▶Read more](#)

South Sudan

- ▶ South Sudan confirms pension income paid upon retirement is subject to taxation [▶Read more](#)

Spain

- ▶ Spain sends bill on Financial Transaction Tax to Parliament [▶Read more](#)
- ▶ Spain sends 2020 bill on Digital Services Tax to Parliament for approval [▶Read more](#)
- ▶ Spain publishes Resolution with additional guidance on foreign look-through entities [▶Read more](#)

Sweden

- ▶ Sweden issues final proposal on Mandatory Disclosure Rules to Parliament [▶Read more](#)

Turkey

- ▶ Turkey revises transfer pricing documentation requirements to be effective from 2019 [▶Read more](#)
- ▶ Turkey updates draft DST Communiqué [▶Read more](#)
- ▶ Turkey amends Luxury Housing Tax provisions [▶Read more](#)
- ▶ Turkey restricts importation of certain animal and agricultural products from China into free trade zones [▶Read more](#)

United Kingdom

- ▶ UK customs and VAT treatment of imports and exports after Brexit transitional period [▶Read more](#)

United States

- ▶ Report on recent US international tax developments - 6 March 2020 [▶Read more](#)
- ▶ Report on recent US international tax developments - 28 February 2020 [▶Read more](#)
- ▶ Report on recent US international tax developments - 21 February 2020 [▶Read more](#)
- ▶ Report on recent US international tax developments - 14 February 2020 [▶Read more](#)

Country Updates

- ▶ US Government imposes stricter export restrictions on Russia and Yemen [▶Read more](#)
- ▶ US CBP issues guidance on treatment of List 4A merchandise held in FTZs; USTR grants new exclusions and issues amendments for Chinese-origin goods as well as report on WTO Appellate Body concerns [▶Read more](#)
- ▶ US Trade Representative announces new tariffs on EU-origin goods [▶Read more](#)

Uruguay

- ▶ Uruguay will allow taxpayers to choose not to compute goodwill in certain restructurings [▶Read more](#)
- ▶ Uruguay deposits its MLI ratification with the OECD [▶Read more](#)

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