



ITX InTouch

[PwC InTouch Newsletter]

Issue 2, 2023 - April to June 2023



Introduction

Welcome to the latest issue of InTouch which covers the key developments in value added tax (VAT) and goods and services tax (GST) in the Asia Pacific region during the period April to June 2023. As economies within our region become increasingly impacted by Global events, the role indirect taxes play in either supporting targeted stimulus measures or aiding revenue collections will become more and more critical.

Please reach out to any of the PwC contacts listed in this issue if you have any questions on the news items.

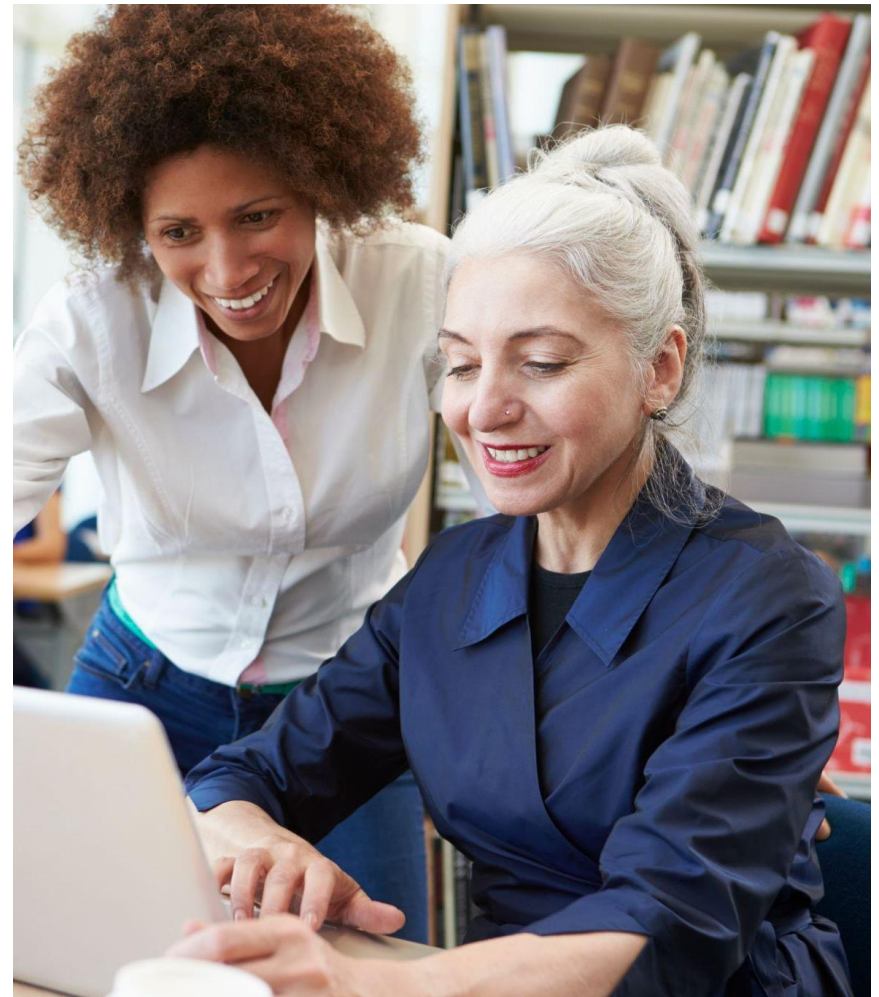


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Australia

New ATO Update on GST for Supply of Digital Products

- The ATO has withdrawn its guidance from 2010 regarding the application of GST to supplies of digital products made to Australian residents from non-resident suppliers.
- This guidance is no longer current due to various legislative changes that ensure that GST is applied consistently to all supplies of digital process and other imported services to Australian consumers and relieves non-resident suppliers of the obligation to account for GST on certain supplies.
- The following Rulings provide the current ATO view on the GST treatment of a supply of digital products to Australian residents from foreign-resident suppliers:
 - [GSTR 2019/1](#) Goods and services tax: supply of anything other than goods or real property connected with the indirect tax zone (Australia) which provides guidance on when a supply of anything other than goods or real property (an intangible) is connected with Australia, including when certain supplies are disconnected from Australia (pursuant to the legislative changes which applied from 1 October 2016); and
 - [GSTR 2017/1](#) Goods and services tax: making cross-border supplies to Australian consumers which provides guidance to overseas-based suppliers making supplies of services, digital products or rights to Australian consumers that use or enjoy those supplies in Australia (pursuant to the legislative changes which applied from 1 July 2017).

No Discretion for the Commissioner to Allow Lapsed Input Credit Tax Entitlements

- The Administrative Appeals Tribunal (AAT) in [Messenger Media and Information Technology Pty Ltd and Commissioner of Taxation \[2023\] AATA 752](#) has affirmed a decision of the Commissioner of Taxation that the company was not entitled to input tax credits because the relevant notification period had expired.
- The legislation provides for a four year period under which the taxpayer needs to notify the Commissioner of their entitlement to input tax credits. The taxpayer was not able to furnish any evidence of a formal notification to the Commissioner regarding the entitlement. The AAT found that under the legislation there was no scope for the Commissioner to exercise any discretion to extend the period of entitlement without a notice within the required period.

Updated GST Guidance for Buy Now Pay Later Industry

- The ATO has released [updated guidance](#) on how buy now pay later (BNPL) entities should be calculating their entitlement to input tax credits. The guidance indicates that it is likely that not all supplies made by BNPL providers will entitle the BNPL provider to input tax credits.
- The guidance highlights that the apportionment approaches currently undertaken by the industry may not be appropriate and that there is an expectation that BNPL providers analyse their acquisitions and appropriately determine their creditable purpose, rather than apportioning all acquisitions on the assumption that they all relate to both input taxed and taxable supplies. The ATO also expects the methodology and analysis of acquisitions to be well documented which will assist with preparing for any compliance reviews. The ATO considers

that the use of a revenue-based apportionment methodology gives rise to a significant risk that input tax credits may be overclaimed and any entities using this approach will be a high priority for review to test whether their GST recovery is appropriate based on the activities of the business.

Luxury Car Tax Threshold for 2023-24

- The Australian Taxation Office (ATO) has advised that the luxury car tax threshold for the 2023-24 financial year is \$89,332 (up from \$84,916 in the current 2022-23 financial year) for fuel-efficient vehicles and \$76,950 (up from \$71,849) for other vehicles. The luxury car tax is payable at the rate of 33 per cent on the GST exclusive value above the threshold.



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China

Public Notice on Import VAT Super-credit for Integrated Circuit Enterprises

- On 29 May 2023, the Ministry of Industry and Information Technology issued Public Consultation to seek public opinion on the requirements for the list of integrated circuit enterprises eligible for VAT Super-credit policy stated in Public Notice [2023] No.17.
- The State Taxation Administration (“STA”) and Ministry of Finance (“MOF”) jointly issued the Public Notice stipulating that, from 1 January 2023 to 31 December 2027, integrated circuit enterprises are granted an extra 15% current-period input VAT credit to offset against their VAT payable.
- The Notice also sets forth the eligibility criteria and calculation method of the input VAT super-credit policy.
- If an integrated circuit enterprise is eligible to enjoy multiple VAT super-credit policies, those policies can be applied on the basis of merit but shall not be applied simultaneously during the same period.

Circular on Adjusting the List of Branches of Railway and Air Transport Enterprises Eligible for Paying VAT on a Consolidated Basis

- On 7 April 2023, the MOF and STA jointly issued the circular CaiShui [2023] No. 15 to update list of branches of railway and air transport enterprises which are eligible for consolidated VAT filing.
- The original list was provided in relevant notices issued by the MOF and SAT in year 2020 (Caishui [2020] No. 56 and Caishui

[2020] No. 30 respectively) which also clarified the consolidated VAT filing method for listed railway and air transport enterprises and set out provisional VAT rates applicable to different branches.



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India

Case Law

- The Hon'ble High Court of Karnataka in case of **Gameskraft Technologies Pvt. Ltd. [Writ Petition No. 19570/2022 dated May 11, 2023]** has set aside demand of GST on online rummy played on petitioner's platform, holding that there is a distinct difference between games of skill and games of chance.
 - a. Games such as rummy, etc. as was discussed in several decisions earlier by the courts and particularly by the Division Bench decision of this Court in All India Gaming Federation's case, whether played online or physical, with or without stakes would be games of skill and test of predominance would apply.
 - b. A game of skill whether played with stakes or without stakes is not gambling. A game of mixed chance and skill is gambling, if it is substantially and preponderantly a game of chance and not of skill and a game of mixed chance and skill is not gambling, if it is substantially and preponderantly a game of skill and not of chance. However, rummy is substantially and preponderantly a game of skill and not of chance and rummy played whether with stakes or without stakes is not gambling.
 - c. Further, 'Betting' and 'Gambling' contained in Entry 6 of Schedule III to the CGST Act are not applicable to Online/Electronic/Digital Rummy, whether played with stakes or without stakes as well as to any other Online/Electronic/Digital games which are also substantially and preponderantly games of skill. Accordingly, the subject Online/Electronic/Digital Rummy game and other Online/Electronic/Digital games played on the Petitioners' platforms are not taxable as 'Betting' and 'Gambling' and hence, the impugned SCN was quashed.
- The Hon'ble High Court of Bombay in the case of **Dharmendra M. Jani v. Union of India [Writ Petition No. 2031 of 2018 dated June 06, 2023]** held that provision of Section 13(8)(b) and Section 8(2) of IGST Act, 2017 are legal, valid, and constitutional as they are not ultra- vires to IGST act. Section 13(8)(b) of the IGST Act and Section 8(2) of the IGST Act are confined in their operation and the same cannot be made applicable for levy of tax under the Central Goods and Services Tax, 2017.
- Telangana AAR in the case of **M/s Kaveri Exports [2023 -VIL-97 - AAR]** has held that applicant is in receipt of Duty credit freely transferable e -scrips under RODTEP scheme from the Department of Foreign trade. The Applicant has sought an advance ruling whether Rule 42 of CGST Rules, 2017 (reversal of ITC on Input and Input services which were used making on taxable as well as non-taxable/exempt supplies) applies to the sale of duty credit scrips being an exempt supply or not and whether its value form part of turnover for calculation of refund under Rule 89 of CGST Rules, 2017. AAR held that by virtue of Explanation 1 to Rule 43, value of e- scrips is excluded from value of exempt supply for purpose of Rule 42. The AAR further held that since turnover pertaining to supply of e-scrips is exempt supply and hence same is excluded from total turnover under Rule 89 i.e., value of e-scrips will not impact refund under Rule 89.

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Indonesia

VAT on the Delivery of Foreclosed Assets by a Creditor to a Buyer

- The Minister of Finance (MoF) issued Regulation No.41 Year 2023 (PMK-41) to implement Government Regulation No.44 Year 2022 (GR-44) in relation to the imposition of Value-Added Tax (VAT) on the delivery of foreclosed assets by a creditor to a buyer. PMK-41 will be effective on 1 May 2023.
- Delivery of foreclosed assets is subject to a specific VAT rate at 1.1% of the tax base (i.e. of the selling price of foreclosed assets). The VAT is collected when the creditor receives payment from the buyer.
- Please refer to [TaxFlash No.04/2023](#) for more details on PMK-41.

VAT Treatment on the Sale of Gold Jewellery, Gold Bars, Other Jewellery and Related Services

- The MoF has issued Regulation No.48 Year 2023 (PMK-48) to outline the Income Tax and VAT aspects on the sale/delivery of gold jewellery, gold bars, other jewellery and related services where carried out by Gold Jewellery Manufacturers, Gold Jewellery Traders and/or Gold Bar Entrepreneurs. PMK-48 is effective from 1 May 2023.

Tax objects and parties involved

- The tax objects stipulated in PML-48 are as follows:
 - a. Gold Jewellery, which is defined as jewellery in any form which is fully or partially made of gold, including items embedded with or containing gemstones or other materials;
 - b. Other Jewellery, which is defined as:
 - jewellery whose material contains no gold; and
 - gemstones or other similar stones;

c. Gold Bars.

- The parties that are regulated under PMK-48 are as follows:
 - a. Gold Jewellery Entrepreneurs, which consist of:
 - Gold Jewellery Manufacturers (“Manufacturers”), being entrepreneurs producing, trading and/or providing services related to Gold Jewellery; and
 - Gold Jewellery Traders (“Traders”), being entrepreneurs trading and/or providing services related to Gold Jewellery.
 - b. Gold Bar Entrepreneurs;
 - c. End consumers.
- All Gold Jewellery Entrepreneurs must be registered as a VAT-able Entrepreneur even if they fall under the criteria of small entrepreneurs. The sale of gold jewellery and other jewellery by these entrepreneurs is subject to VAT using certain amounts whereby the prevailing VAT rate is multiplied by a designated percentage resulting in an effective VAT rate. The designated percentages are different according to the type of jewellery and parties involved in the transaction. For example, a designated percentage of 10% under a prevailing VAT rate of 11% will result in an effective VAT rate of 1.1%. In addition, any Input VAT cannot be credited by the seller.
- Please refer to [TaxFlash No.05/2023](#) for more details on PMK-48.

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Malaysia

Guidelines on Voluntary Disclosure Programme (“VDP”) for Indirect Taxes

- The Royal Malaysian Customs Department (RMCD) has formally issued the Guidelines and a list of Frequently Asked Questions (“FAQ”) with respect to the VDP which was announced during the Retabled Budget 2023. The duration of the VDP is from 6 June 2023 to 31 May 2024. The VDP covers taxes that are liable under the following legislations but does not include taxes imposed on importation of goods:
 - a. Sales Tax Act 1972 and Sales Tax Act 2018;
 - b. Service Tax Act 1975 and Service Tax Act 2018;
 - c. Goods and Services Tax Act 2014; and
 - d. Tourism Tax Act 2017.
- The incentive offered is a 100% penalty remission by way of a blanket approval for all the taxes that are liable up to 28 February 2023 on the condition that the outstanding taxes are paid in full within the VDP period. Compounds will not be imposed in the VDP and no supporting documents are required when submitting an application. The following tax liabilities or cases are excluded from the VDP:
 - a. Tax liabilities that are being or have been investigated by the Enforcement Division of the RMCD;
 - b. Taxes where a Bill of Demand (“BoD”) has been issued by the RMCD;
 - c. Tribunal or court cases currently under trial; and

- d. The companies that are being audited by the Compliance Division of RMCD.

Concessional Tourism Tax Treatments involving Digital Platform Service Providers

- The RMCD has issued the Tourism Tax Policy No. 2/2023 dated 13 April 2023 to notify that the Minister of Finance (MOF) has the following concession treatments to be allowed until 31 December 2025:
 - a. A registered digital platform service provider (DPSP) who does not receive payment directly from a foreign tourist for the online booking of an accommodation premises, is not liable to collect, account and remit the tourism tax (“TTx”) to the RMCD according to the registered DPSP’s relevant taxable period.
 - b. A registered operator of accommodation premises who receives payment made by a foreign tourist through a DPSP for the accommodation premises provided through an online booking is required to collect, account and remit the TTx to the RMCD according to the registered operator’s relevant taxable period.
 - c. A registered DPSP who receives payment made by a foreign tourist for the accommodation premises provided through an online booking, is liable to collect, account and remit the TTx to the RMCD according to the registered DPSP’s relevant taxable period.

Service Tax Amendment Regulations

- The Service Tax (Amendment) Regulations 2023 came into effect on 15 May 2023. The main changes are as follows:
 - a. The Director General of Customs (“DGC”) is now empowered to approve the application of any registered person who submitted a request in writing for omission of any particulars prescribed to be stated on credit note or debit note. The approval is subject to any conditions as the DGC deems fit.
 - b. The furnishing of service tax return or declaration by post or by courier are no longer allowed. The furnishing of service tax return or declaration shall be through electronic services or in any manner as the DGC may determine.
 - c. The payment of service tax, surcharge, penalty, fee or any other money under the Service Tax Act 2018 using cheque or bank draft are no longer allowed. Payment shall be made by electronic banking or in any manner as the DGC may determine.
 - d. The provision or sale of electronic cigarettes, vaping devices, vaping liquid or gel (irrespective of whether or not containing nicotine) in hotels, restaurants, night clubs, pubs, private clubs and golf clubs are now subject to service tax.



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New Zealand

PUB 00425 – Payments in the Nature of a Grant or Subsidy

- Inland Revenue has issued an interpretation statement clarifying when GST applies to government grant payments.
- Where a payment meets the following requirements, the payment is deemed to be consideration for a supply of goods and services by the person to whom or for whose benefit the payment is made, in the course or furtherance of that person's taxable activity:
 - a. there must be a payment in the nature of a grant or subsidy; and
 - b. the payment must be made on behalf of the Crown or by any public authority; and
 - c. the payment must be made to either:
 - a person in relation to or in respect of that person's taxable activity; or
 - a person for the benefit and on behalf of another person in relation to or in respect of that other person's taxable activity.
- If the person is a GST-registered person, they should account for output tax. If the person is not GST registered because they carry on a taxable activity but are below the compulsory GST registration threshold (supplies over \$60,000 in a 12-month period), the person may have to register for and account for GST if the value of the grant or subsidy means they exceed the threshold.

QB 23/06 “GST – Goods Purchased on Deferred Payment Terms”

- Inland Revenue provides clarity around a situation where a GST registered person, on a payments basis, can claim an input tax deduction for goods purchased on layby, hire purchase, and “buy now, pay later” agreements.
- Ordinarily where operating on a payments basis, an input tax deduction can only be claimed when (and only to the extent that) payment has been made (including for standard sales agreements and “buy now, pay later” agreements).
- Additionally, under a layby sales agreement, a person using a payments basis will not usually be able to claim an input tax deduction until the final payment due under the agreement has been made. As the time of supply for a layby sales agreement is when property in the goods is transferred to the purchaser, usually on final payment (s 9(2)(c)).
- However, in some circumstances a person using a payments basis may be able to claim an input tax deduction before payment takes place. This occurs where goods are purchased under a hire purchase agreement and the time of supply is when the agreement is entered into and not when instalment payments are made (s 9(3)(b)).

TDS 23/08 “GST Input Tax Deductions and Output Tax Liability”

- Inland This technical decision summary (TDS) outlines the Tax Counsel Office decision relating to disputed input tax deductions and output tax liabilities between the taxpayer and Customer and Compliance Services (CCS) of Inland Revenue.

- The Tax Counsel Office decided as follows:
 - a. The taxpayer was not entitled to disputed input tax deductions relating to goods and services provided to it in connection with client matters where the clients were removed from the companies register, when the taxpayer worked on their matters. On the basis the companies no longer existed and the likelihood of the companies being restored to the register is remote.
 - b. The taxpayer was not entitled to any disputed input tax deductions for which it had failed to show it held the required tax invoices. These included disputed input tax deductions for which tax invoices had been provided, but the invoices did not show the taxpayer as the recipient of the supply.
 - c. The taxpayer was entitled to disputed input tax deductions to the extent they related to goods and services provided to it in connection with client matters, where the clients were on the companies register when the taxpayer worked on their matters, and where it held the required tax invoices or tax invoices were not required because the supplies were made for \$50 or less.
 - d. The taxpayer was not entitled to disputed input tax deductions relating to goods and services provided to it in connection with a property it leased as the taxpayer was not able to estimate to the extent to which the goods were used for making taxable supplies.
 - e. The taxpayer was liable for output tax on an amount it received. This is on the basis that the taxpayer who operated on a payments basis received a payment and had not provided any documentary evidence to show that this payment was not a payment for services.
 - f. Based on tax positions taken above the taxpayer was liable for shortfall penalties for gross carelessness.

PUB 00423 – Court Awards and Out of Court Settlements

- This Interpretation Statement clarifies the different GST treatments for court awards or out-of-court settlements, depending on whether the legal nature of the remedy suggests a sufficient connection between a payment and a supply.
- Compensation for loss, where there is no supply.
- The purpose is to put the person who has suffered a loss in the same position as they would have been in, had the relevant breach or wrong not occurred. Compensation for a loss is generally not consideration for a supply because a person does not make a supply by suffering a loss.
- Further, where an award is related to a supply and is calculated based on the amount of consideration provided for the supply, the award will not have any GST consequences if it is compensation for a loss.

Restitution

- This aims to restore to a person what has been wrongly taken from them or, if that is not possible or practicable, order a payment of a monetary equivalent of the thing that was taken.
- The Commissioner's view is that where a monetary equivalent is paid in restitution to a person from whom a thing has been taken without justification, the payment is not consideration for a supply of the thing.
- The payment of a monetary equivalent is not made because the thing has been supplied, it is made because it is not possible or practicable to return the thing and it would be unconscionable to allow the person to retain the benefit of the thing.

Termination

- Where an ongoing supply contract is terminated without a right to terminate and without the agreement of the other party, a settlement sum will typically relate to a loss that the other party suffers as a result of the early termination. There is no supply by the other party of their rights under the contract because they did not agree to the termination and no other legal mechanism suggests a supply.
- In contrast, where one party to a contract obtains the other party's agreement to alter or terminate the contract in exchange for a payment, there is a supply by that other party of rights under the contract, and the payment is consideration for the supply.

Forbearance

- The Commissioner's view is that a forbearance to sue is capable of being a supply, but a settlement payment is generally for something other than the forbearance. The forbearance to sue is generally incidental to the resolution of the underlying dispute. Ordinarily, no part of the settlement payment will be attributable to the forbearance.

Damages and infringements

- A continuing infringement of property rights can appear similar to a supply of those property rights, and damages can appear similar to consideration for a supply of those property rights. However, in determining the GST treatment of a payment it is necessary to have regard to the legal arrangements actually entered into, and not the economic or other consequences of what has occurred. Property rights are not supplied merely because a court refuses to grant an injunction preventing the continued infringement of the rights. Therefore, a payment of damages awarded for a continuing wrong, instead of granting an injunction, is not consideration for a supply.



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Vietnam

Decree 12/2023 Extending Deadline for Tax Payments and Land Rental Fee in 2023

- On 14 April 2023, the Government released Decree 12 regarding the extension of deadlines for payments of taxes and land rental fee applicable for the 2023 tax year. The Decree took effect from the signing date to 31 December 2023.

Some notable points:

- Decree 12 is applicable to companies engaging in various business activities and which have generated revenue from such activities in 2022 or 2023.
- For more information including a list of the eligible business activities for payment extensions, please see the [April 2021 PwC Vietnam NewsBrief](#).
- For those eligible, the below would be applied:

1. Extension of deadline to pay VAT

- Generally, the deadline for payments of VAT are extended as below:
 - a. The deadline for VAT payments for March, April, May 2023 (for companies declaring VAT on monthly basis) and Quarter 1 of 2023 (for companies declaring VAT on quarterly basis) will be extended by 6 months, for example, payment of March 2023 VAT return will be due by 20 October 2023; VAT payments for June 2023 and Quarter 2 of 2023 will be extended by 5 months; VAT payments for July and August 2023 will be extended by 4 months and 3 months, respectively.
 - b. Dependent units and branches of in-scope companies which separately file VAT and CIT returns at local tax departments will also be entitled to the above extensions. However, if the

branches and dependent units do not conduct in-scope business activities, they are not entitled to extensions.

2. Extension of deadline to pay VAT (and PIT) for individuals and business households

- Similar to Decree 34/2022, the deadline for payment of VAT & PIT for 2023 will be extended to 30 December 2023, applicable to individuals and business households which engage in in-scope business activities.

3. Other notes

- Companies which engage in multiple business activities shall be entitled to extension of VAT payments incurred pertaining to all activities provided that at least one of their business activities falls under the in-scope activities.

4. Administrative requirements

- The Decree requires eligible taxpayers to submit a deferral request (in prescribed form as attached to Decree 12) to their local tax department together with the monthly or quarterly tax return.
- The deadline for submitting the request is 30 September 2023 and failure to meet the deadline will result in forfeiture of these benefits. The submission can be done either electronically, by hard copy directly sent to the local tax department, or by postage and should be done once, covering all types of taxes and land rental fees for all eligible periods.

In-country Import and Export Model in Vietnam would be Abolished (in which Zero VAT Rating Pertaining to In-country Import and Export Model would be Challenged)

- On 29 May 2023, the General Department of Customs (“GDC”) issued official letters no. 2587/TCHQ-GSQL and 2588/TCHQ-GSQL regarding draft amendments to Article 35 Decree 08/2015/ND-CP on in-country export and import transactions.
- Pursuant to Article 35 Decree 08/2015, in-country import and export transactions are defined to include: (i) Goods produced in Vietnam under toll manufacturing contracts with a foreign trader and sold to Vietnamese organizations or individuals; (ii) Buy/sell transactions between Vietnamese enterprises and overseas organizations or individuals that have no presence in Vietnam, where goods are delivered or received under the arrangement between foreign traders with other enterprises in Vietnam....etc.
- The GDC proposed to abolish the in-country import and export transactions as regulated in Article 35 above and proposed alternative procedures, whereby the in-country import and export transactions should be treated as domestic transactions; and the involved foreign traders will have to appoint an agent in Vietnam to fulfill its tax obligations.
- The above proposal, if approved, is expected to have significant impacts on those companies involved in in-country export/import transactions, particularly those involved in toll manufacturing or contract manufacturing arrangements with foreign parties. In addition to the change in the export/import procedures, there are other major issues such as how to deal with import duty exemption/refund on the imported materials or VAT treatment applicable to goods sold to foreign traders but delivered to another Vietnamese entity? Many issues require careful study and solutions by the Government.
- While waiting for the Government to consider this proposal and work on new policies, companies are recommended to review its current business model and analyze the potential impacts on its business.

Decree 44/2023 Guiding the VAT Reduction Policy pursuant to Resolution 101/2023/QH15 dated 24 June 2023 of the National Assembly

- On 30 June 2023, the Government released Decree 44/2023 guiding the implementation in this respect, which took effect from 1 July 2023 until 31 December 2023.

Some notable points:

- The 2% VAT reduction will be applicable to goods and services which are currently subject to 10% VAT (with certain exceptions). Compared with Decree 15/2022, Decree 44/2023 does not extend the scope of application of the VAT rate reduction.
- Decree 44 provides the lists of goods and services not entitled to the 2% VAT reduction with details of product codes and HS codes.
- The 2% VAT reduction for eligible goods/services will be consistently applied for all stages from importation, manufacturing, processing and trading, except for coal exploitation.
- For companies declaring VAT under the deduction method, on VAT invoices, the VAT rate will be stated as “8%”. Where goods/services sold are subject to different VAT rates, the VAT rate of each goods/services must be clearly indicated on an invoice.
- Where the seller has issued VAT invoices for eligible goods/services with the normal VAT rate without taking into account this 2% VAT reduction, then the seller and the buyer must handle this according to the invoicing regulations and adjust the output VAT and input VAT accordingly.
- The goods/services subject to 2% VAT reduction shall be declared on Form 01 promulgated under Decree 44 which has to be submitted together with the VAT returns.

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ITX Policy Developments

Let's talk

[For a deeper discussion of how these issues might affect your business, please contact]

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Turnover Limited for Applicability of E-invoicing Reduced

- In India, the turnover limit for applicability of E – invoicing has been reduced to INR 5 Crores from existing turnover limit of INR 10 Crores with effect from 01 August 2023.
- GSTN portal has issued an advisory dated 06 May 2023 regarding deferment of imposition of time limit of seven days on reporting old e-invoices on the e-invoice IRP portals for taxpayers with aggregate turnover greater than or equal to ₹100 crore by three months.
- GSTN portal has enabled the option to file GSTR 9(Annual return) & GSTR 9C (reconciliation statement) on the GST portal (due date to file the same is 31 December 2023).
- The DGFT vide public notice No. 20/2023 dated 30 June 2023 has extended the last date to apply for amnesty scheme up to 31 December 2023 and the last to pay all dues up to 31 March 2024 for one time settlement of defaults in export obligation by Advance and EPCG authorization holders.

Draft Ruling Update on Treatment of ATM Service Fees, Credit Card Surcharges and Debit Card Surcharges

- In Australia, the ATO has provisionally updated GSTR 2014/2 which deals with the GST treatment of ATM service fees, credit card surcharges and debit card surcharges. The draft update reflects changes to the industry self-regulatory documents containing the definition of “ATM” or “ATM Terminal” (the replacement of the Consumer Electronic Clearing System Regulations and Manual with the Issuers and Acquirers Community Regulations and Code Set), changes in Reserve Bank of Australia rules for merchant surcharging, and the Reserve Bank of Australia designation of prepaid cards.

Issued by Jiangsu, Liaoning, Gansu, Hainan, Shanxi and Guangxi Provincial Tax Bureau on the Pilot Program of Fully Digitized E-invoices

- In China, in order to implement the policies on further deepening the tax collection reform issued by the State Council, comprehensively promoting the digital upgrading and intelligent transformation of tax collection and management, and reducing the cost of tax collection, the STA has built a unified national electronic invoice service platform, which provides taxpayers with online services related to issuance, delivery and inspection of fully digitized e-invoices (hereinafter referred to as “E-invoices”).
- In April 2023, with the consent of the STA, tax bureaus of Jiangsu Province, Liaoning Province, Gansu Province, Hainan Province, Shanxi Province, and Guangxi Province issued announcements respectively to carry out the pilot of fully digitalized e-invoices issuance.

Thank you



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