

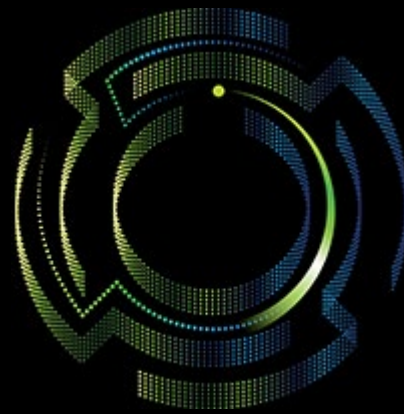
World Tax Advisor

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Tax highlights of Malaysia's Budget 2024 and Finance (No. 2) Bill 2023

This article discusses key tax highlights for companies of Budget 2024 and Finance (No. 2) Bill 2023, including proposals for a capital gains tax on the disposal of certain capital assets, global minimum tax rules generally in line with the OECD Pillar Two model rules, enhanced and new tax incentives to encourage investment and “green” practices, the phased introduction of e-invoicing, and an increase in the service tax rate.



Australia

New interest limitation rules will not be passed in 2023

The Treasury Laws Amendment (Making Multinationals Pay Their Fair Share—Integrity and Transparency) Bill 2023 has been debated in the Senate, with the outcome being that the government's November 2023 amendments to the bill were not put to the Senate. The bill was referred a second time to the Senate Economic

Colombia

Final decree regulating legislation on taxation of SEP issued

The Ministry of Finance has issued a decree to regulate the new concept of significant economic presence (SEP) in Colombia in connection with the taxation of digital services. Nonresident individuals and entities with an SEP will be subject to income tax on income derived by the SEP from the sale of certain goods and services as from 1 January 2024.

Legislation Committee for inquiry, with instructions to report by 5 February 2024.



Colombia

Law disallowing deduction for royalties to exploit certain natural resources repealed

The Constitutional Court has issued a press release announcing its decision to repeal provisions of the Tax Code stating that royalties paid to the government for the exploitation of nonrenewable natural resources are not a deductible expense for corporate income tax purposes.



Germany

Draft guidance on Tax Haven Defense Act published

The Ministry of Finance has published draft guidance on the anti-tax avoidance measures regarding noncooperative jurisdictions, which were introduced in 2021 as part of the Tax Haven Defense Act. The draft guidance provides insight into how the tax authorities are applying the rules and interpreting the provisions of the law and is open for comments until 9 January 2024.



Hong Kong SAR

Draft law to introduce tax deduction for upfront spectrum utilization fees gazetted

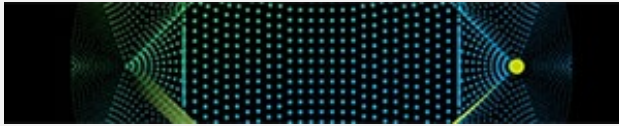
The Inland Revenue (Amendment) (Tax Deductions for Spectrum Utilization Fees) Bill 2023 has been gazetted and would introduce new tax deductions for upfront lump sum spectrum utilization fees over the spectrum assignment term. The aim of the bill is to encourage telecommunications network operators to increase investment in infrastructure.



Hong Kong SAR

Draft law to refine FSIE regime for disposal gains passed by Legislative Council

The Legislative Council has passed the Inland Revenue (Amendment) (Taxation on Foreign-sourced Disposal Gains) Bill 2023 that refines Hong Kong SAR's foreign-sourced income exemption regime by expanding the scope of foreign-sourced disposal gains. The refined regime will apply as from 1 January 2024.



Luxembourg

Government coalition agreement 2023-2028: Proposed tax measures

The new Luxembourg government has officially issued the text of its 2023-2028 coalition agreement, which includes tax measures envisaged for the next five years. These measures must be included in draft legislation and be submitted to and approved by parliament before they can become law.



OECD

New corporate tax statistics and working paper on effective tax rates of MNEs released

The OECD has announced the release of the fifth edition of *Corporate Tax Statistics*, including a report and database covering more than 160 jurisdictions and providing information on the international activities of multinational enterprises, as well as two years of aggregated country-by-country reporting data. The OECD also has released an accompanying working paper, *Effective tax rates of MNEs: New evidence on global low-taxed profit*.



Thailand

Updated guidance issued on advance pricing arrangements

The Thai Revenue Department has issued updated guidance on advance pricing arrangements (APAs), which provides instructions and requirements for bilateral APAs. The major update to the guidance is regarding the information required to be included in the APA application.



United Nations

Committee to draft convention on international tax cooperation to be established

The Economic and Financial Committee (Second Committee) of the General Assembly of the United Nations has adopted a resolution to establish an intergovernmental committee for the purpose of drafting terms of reference for a legally binding “framework convention” on international tax cooperation. The committee is expected to submit a report to the General Assembly during its 79th session, scheduled to commence on 10 September 2024.



United States

Deloitte Tax resources address Pillar Two considerations for C-suite, M&A activity

A new “5x5” resource guide from Deloitte Tax LLP offers five insights that C-suite leaders need to know about the new Pillar Two rules and five actions they can take now to prepare for their implementation. Also, an article from Deloitte Tax LLP discusses certain Pillar Two M&A considerations, to whom the rules apply, and what taxpayers can do to address these rules and considerations.



United States

IRS finalizes updates to Form W-8EXP

The Internal Revenue Service has published a new version of Form W-8EXP, *Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding and Reporting*, and the corresponding instructions. The modifications primarily reflect the finalized regulations under sections 897 and 1445 of the Internal Revenue Code exempting qualified foreign pension funds from withholding on dispositions of US real property interests.

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