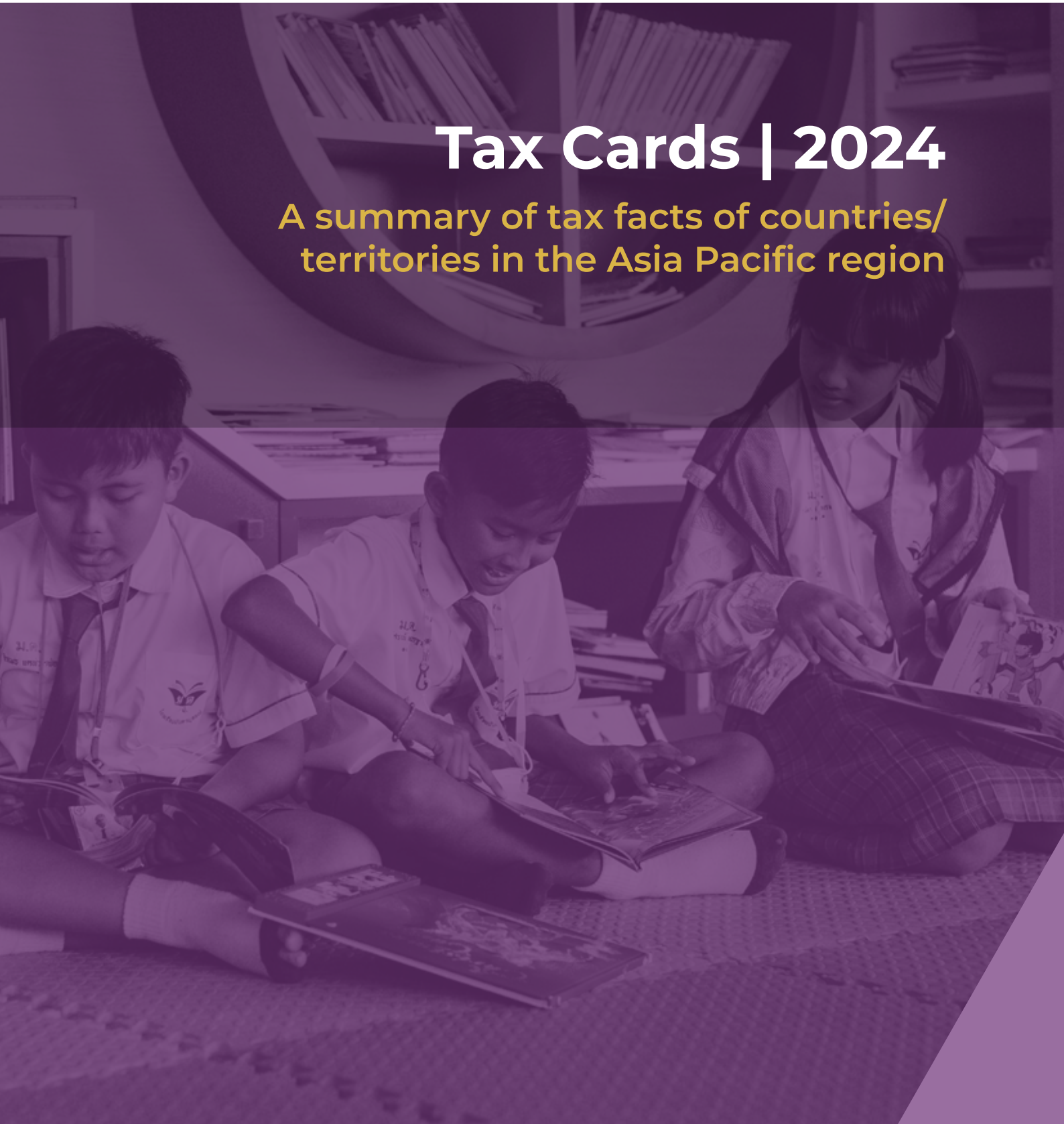


Tax Cards | 2024

A summary of tax facts of countries/
territories in the Asia Pacific region





Tax Cards | 2024

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"This publication has been prepared for the purpose of quick information dissemination. Its contents should not be used as a basis for advice or formulating decisions under any circumstances."

AUSTRALIA

2024 TAX CARD (IN AUSTRALIAN DOLLARS)

1. Basis of taxation

The Australian income tax year runs from 1 July to 30 June. There are two fundamental platforms determining liability to Australian tax, commonly known as the source rule and residence rule.

The source jurisdiction of taxation means that Australia taxes non-resident individuals and corporations on income arising to them from sources within Australia only.

The residence jurisdiction involves the taxation of Australia's resident individuals and corporations on income arising both in foreign countries and Australia itself. Residents of Australia are subject to Australian tax on their worldwide.

2. Corporate tax

An Australian resident company is subject to company tax on its worldwide income and a non-resident company is taxed on its Australian source income at the same rate as a resident company. The following tax rates apply to companies:

Standard Company Tax	
From 2001-02	30.00%
Base rate entities*	
From 2021-22	25.00%

*A base rate entity is one with 'base rate entity passive income' that is no more than 80 per cent of its assessable income for the year and which has aggregated turnover of less than \$50 million. 'Base rate entity passive income' is comprised of a specified list of income types including certain dividends, interest, royalties, net capital gains and rent.

3. Test or basis of tax residence

Corporate residence

A company is a resident of Australia if:

- it is incorporated in Australia, or
- although not incorporated in Australia it carries on business and has either
 - * its central management and control in Australia;
 - * its voting power controlled by shareholders who are residents of Australia.

** In the 2020-21 Budget, the government announced that it intends to make technical amendments to clarify the corporate residency test. The proposed amendments will provide that a company incorporated offshore will be treated as an Australian tax resident if it has a 'significant economic connection to Australia'. These amendments have not yet been enacted and Australia has since had a change of Government so it is uncertain if the announced changes will proceed.*

3. Test or basis of tax residence (cont.)

Individual residence

Ordinary Test

The primary test of tax residency is called the 'resides test'. If you reside in Australia, you are considered an Australian resident for tax purposes and don't need to apply any of the other residency tests.

The courts and the ATO rely on the normal definition of 'resides' when deciding who is an Australian resident for income tax purposes, as the term is not defined within income tax legislation.

The Shorter Oxford Dictionary defines reside as: '...to dwell permanently, or for a considerable time, to have one's settled or usual abode, to live, in or at a particular place...'

There are several factors that are considered in applying the 'resides test' among others are: behaviour while in Australia; intention and purpose of presence; family and business/employment ties; maintenance and location of assets; social and living arrangements. As a mix of these factors may apply, they will need to be assessed on a case-by-case basis.

Statutory Test

If you don't satisfy the resides test, you'll still be considered an Australian tax resident if you satisfy one of three statutory tests:

- The domicile test: You're an Australian resident if your domicile (broadly, the place that is your permanent home) is in Australia, unless the ATO are satisfied that your permanent place of abode is outside Australia.
- The 183-day test: If you're actually present in Australia for more than half the income year, whether continuously or with breaks, you may be said to have a constructive residence in Australia, unless it can be established that your usual place of abode is outside Australia and you have no intention of taking up residence here.
- The superannuation test: This test ensures that Australian government employees working at Australian posts overseas are treated as Australian residents.

4. Residential individual tax rates (for financial years ending 30 June 2025 onwards)

Taxable Income	Tax Payable*
0 – \$18,200	NIL
\$18,201 – \$45,000	NIL + 16% of excess over \$18,200
\$45,001 – \$135,000	\$4,288 + 30% of excess over \$45,000
\$135,001 – \$190,000	\$31,288 + 37% of excess over \$135,000
\$190,001 and over	\$51,638 + 45% of excess over \$190,000

*Australian residents (with limited exceptions) also pay a Medicare levy of 2% of taxable income, subject to low income thresholds. In addition, residents without private health insurance pay a Medicare levy surcharge of between 1% and 1.5%, subject to low income thresholds.

5. Non-residential individual tax rates (for financial years ending 30 June 2025 onwards)

a. General

Taxable Income \$	Tax Payable \$
\$0 – \$135,000	30%
\$135,001 – \$190,000	\$40,500 + 37% of excess over \$135,000
\$190,001 and over	\$60,850 + 45% of excess over \$190,000

b. Working Holiday Makers (Visa Required)

Taxable Income \$	Tax Payable \$
\$0 – \$45,000	15%
\$45,001 – \$135,000	\$6,750 + 30% of excess over \$45,000
\$135,001 – \$190,000	\$33,750 + 37% of excess over \$135,000
\$190,001 and over	\$54,100 + 45% of excess over \$190,000

6. Income tax filing deadlines

Types of Form		Deadlines
Tax Return	Residential individual	31 October
Tax Return	Companies and Superannuation Funds	Between 1 December and 5 June depending on income
Tax return	Partnerships and Trusts	31 October

*Various extensions are available for lodgement up to May/June of the following year where the entity is registered as a client of a tax agent. Timing of extension available is dependent upon the type of entity, their size, and if the entity is tax payable for the year.

7. Goods and services tax

GST is levied at a rate of 10%. Entities are required to register once they are conducting an 'enterprise' and annual turnover reaches \$75,000 [\$150,000 for non-profit entities].

From 1 July 2017, foreign businesses are liable to charge 10% GST on imported services and digital products supplied to Australian consumers (so called "Netflix tax") and where they meet the turnover threshold of \$75,000 for sales connected with Australia. Non-resident businesses can elect to register electronically for a simplified GST registration.

GST also applies to low value imports of physical goods imported by consumers from 1 July 2018.

8. Estate duty

Australia does not have a death or inheritance tax regime – various rollovers can be applied for capital gains tax and stamp duties when assets are passed on after death.

9. Stamp duty

Stamp duty is applied on a State by State basis. Stamp duty is mainly applied on real property transfers, or some transfers of equity in companies/unit trusts where shares/units of 20% or greater are being transferred, and the entity holds real property with a market value greater than \$1 million.

Rates of duty vary depending on the State but are, on average, between 4.0% to 5.5% of the transfer value of the property (and up to 7% for premium property).

Acquisitions of real property by non-residents may also be subject to an additional rate of stamp duty up to 8% of the purchase price of the property. The rate varies in each state, with some states exempt. The Australian Capital Territory and the Northern Territory do not impose a duty surcharge at this time.

Some states treat Australian resident trusts as foreign trusts if they are able to make distributions to non-residents. In these instances, the higher rate of duty will apply.

10. Property tax (Land tax)

All Australian states and territories impose Land Tax except the Northern Territory. The tax is levied on the unimproved value of all land held by an individual or entity above a particular tax-free threshold (which varies from State to State) unless specifically exempt. An individual's principal place of residence is specifically exempt. Values are determined by the Valuer General in each State. Land tax applies regardless of whether income is earned from the land.

Land tax is applied at different rates with different thresholds for each state and territory. In New South Wales, for example, land tax payable is calculated as follows for 2024:

Taxable Income \$	Tax on this income*
Less than \$1,075,000	NIL
\$1,075,000 - \$6,571,000	\$100 + 1.6% of the excess over \$1,075,000
More than \$6,571,000	\$88,036 + 2% of the excess over \$6,571,000

There have been changes to the Land Tax threshold in Victoria from 1 January 2024, which means that more properties will be subject to land tax. The rates vary depending on the ownership entity and the value of the land.

Non-residents of Australia may also be subject to additional land tax on property held in various Australian states. New South Wales charges a surcharge of 2% on residential property. Other States may apply higher rates on all types of property.

Some states also treat Australian resident trusts as foreign trusts if they are able to make distributions to non-residents. In these instances, the higher rate of land tax will apply.

11. Withholding tax – non-treaty countries

	Resident		Non-resident Individual/ Corporation	
	ID Verified	Not Verified	ID Verified	Not Verified
Dividends •Fully franked •Unfranked	N/A N/A	47% 47%	0% 30%	47% 47%
Interest	N/A	47%	10%	47%
Royalties / know-how	N/A	47%	30%	47%
Sale of CGT Assets <\$750,000 >\$750,000*	N/A N/A	0% 12.5%	0% 12.5%	0% 12.5%
Rents (moveable property), management/ technical fees, etc	N/A	47%	N/A	47%
Directors' fees	Subject to tax withholding as wages	47%	Subject to tax withholding as wages	47%
Trust distributions	N/A	47%	Tax to be paid by trustee at marginal rates**	

* Applies to sales of direct or indirect interests (eg shares in a property owning company) in real property, leases over real property, mining (or similar) rights or options to acquire such property.

** Refer below re non-resident marginal tax rates.

12. Withholding tax –Tax Treaty Countries

Certain payments by residents in Australia to non-residents are subject to domestic withholding tax rates. The rates of taxes may be reduced (for individuals and entities whose ID has been verified) under the terms of a double tax agreements with a treaty country to those listed below. A standard withholding rate of 47% applies where the payee's identity has not been verified.

Country	Dividends (%)	Interest (%)	Royalties (%)
Argentina	10/15	12	10/15
Austria	15	10	10
Belgium	15	10	10
Canada	5/15	10	10
Chile	5/15	5/10/15	5/10
China	15	10	10
Czech Republic	5/15	10	10
Denmark	15	10	10
Fiji	20	10	15
Finland	0/5/15	0/10	5
France	0/10/15	0/10	5
Germany	0/5/15	0/10	5

12. Withholding tax –Tax Treaty Countries (cont.)	Country	Dividends (%)	Interest (%)	Royalties (%)
	Hungary	15	10	10
	India	15	15	10/15
	Indonesia	15	10	10/15
	Ireland	15	10	10
	Israel	0/5/15	0/5/10	5
	Italy	15	10	10
	Japan	0/5/10	0/10	5
	Kiribati	20	10	15
	Korea	0/15	15	15
	Malaysia	0/15	15	15
	Malta	15	15	10
	Mexico	0/15	10/15	10
	Netherlands	15	10	10
	New Zealand	0/5/15	0/10	5
	Norway	0/5/15	0/10	5
	Papua New Guinea	15/20	10	10
	Philippines	15/25	10/15	15/25
	Poland	15	10	10
	Romania	5/15	10	10
	Russia	5/15	10	10
	Singapore	0/15	10	10
	Slovak Republic	15	10	10
	South Africa	5/15	0/10	5
Spain	15	10	10	
Sri Lanka	15	10	10	
Sweden	15	10	10	
Switzerland	0/5/15	10	5	
Taipei ³⁸	10/15	10	12.5	
Thailand	15/20	10/25	15	
Turkey	5/15	0/10	10	
United Kingdom	0/5/15	0/10	5	
United States	0/5/15/30	0/10/15	5	
Vietnam	10/15	10	10	

Readers should refer to the relevant Double Tax Agreement for further detail.



Updated
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The information published here is for consultation purposes only. Before taking any action, a contact must be made with a professional.

CHINA

2024 TAX CARD (IN CHINESE YUAN RENMINBI)

1. Individual income tax (IIT)

Individual income tax shall be levied by individuals who have domicile in China. The person is deemed domicile if they meet one of the following 2 criteria:

1) The person is a residence in China

There are several criteria to determine if the expat is a residence:

a) Citizenship, b) Family and c) Economic Tie

2) The person stays in China over 183 days in a calendar year.

Below is a table illustrating different periods of stay and how it affects tax residence:

Time of Stay in China	Status of Tax Resident	Income Sources from China		Income Sources from Overseas	
		Chinese Entity	Overseas Entity	Chinese Entity	Overseas Entity
Living in China \leq 90 days or (183 days if there is a tax treaty in place)	Non resident taxpayer	Pay	Exempt	Exempt	Exempt
Living in China over 90 days but less than 183 days		Pay	Pay	Exempt	Exempt
Living in China over 183 days but less than 6years	Resident taxpayer	Pay	Pay	Pay	Exempt
Living in China \geq 6years	Resident taxpayer (Worldwide tax)	Pay	Pay	Pay	Pay

The tax-fringe benefit for expat and the one-time annual bonus exception will both be extended to December 31, 2027.

For Foreigners who hold management level in China, if they receive income from a China entity, they need to pay IIT based on the pro-rated number of days they stay in China.

For Foreigners who hold management level in China but receive income outside of China, if they stay under 90 days, they are IIT exempted. However, if they stay over 90 days but less than 183 days, they will need pay IIT based on the pro-rated number of days they stay in China.

The authority has consolidated 4 income categories into one. The table below shows the change:

Old Category	Tax Rate	New Category	Tax Rate
Wages and Salaries	3%-45% (7 progressive bands)	Consolidated Individual Income	3%-45% (7 progressive bands)
Service income	20%-40% (3 progressive bands)		
Author's remuneration	20%		
Royalties	20%		
Income from production and business operation	5% - 35% (5 progressive bands)	Business Operation Income	5% - 35% (5 progressive bands)
Income from contractual or leasing operation by enterprises	5% - 35% (5 progressive bands)		
Interests and Dividends	20%	Interests and Dividends	20%
Income from lease/transfer of property	20%	Income from lease/transfer of property	20%
Contingent Income	20%	Contingent Income	20%

1. Individual income tax (IIT) (cont.)

The authority has changed the method from calculating IIT by monthly basis to by cumulative year-to-date basis. Below is the new tax bracket which reduce significant IIT for low income earners:

YTD Taxable Income (RMB)	Tax Rate	Quick Deduction (RMB)
YTI ≤ 36,000	3%	0
36,000 < YTI ≤ 144,000	10%	2,520
144,000 < YTI ≤ 300,000	20%	16,920
300,000 < YTI ≤ 420,000	25%	31,920
420,000 < YTI ≤ 660,000	30%	52,920
660,000 < YTI ≤ 960,000	35%	85,920
YTI > 960,000	45%	181,920

Remarks: Standard deduction RMB 5,000 per month

(2) Corporate Income Tax

Resident enterprises are taxed on their worldwide income from all sources.

Non-resident enterprises that have set up institutions or premises in China shall pay enterprise income tax in relation to the income originating from China obtained by their institutions or establishments. And the income incurred outside China but there is an actual relationship with the institutions or establishments set up by such enterprises.

**1.
Individual
income tax
(IIT) (cont.)**

Non-resident enterprises that have not set up institutions or establishments in China, or institutions or establishments are set up but there is no actual relationship with the income obtained by the institutions or establishments set up by such enterprises, they shall pay enterprise income tax in relation to the income originating from China.

A resident enterprise shall pay tax at its registered address. The enterprise income tax year shall start on January 1 and end on December 31 of each calendar year.

Provisional enterprise income tax payments shall be filed and made on a quarterly basis within 15 days after the end of each quarter and annual enterprise income tax returns and settlement shall be made within five months after the end of each tax year.

**2.
Corporate Tax**

China has a flat corporate tax rate of 25%.

Preferential rate of 5% is applied for small and low-profit enterprises:

A. Criteria of small and low-profit enterprises:

Annual Taxable Income	≤RMB 3 million
The Number of Employees	≤300
Total Asset	≤RMB 50 million

B. VAT exemption and rate cut for small-scale VAT payer

Until Dec 31 2027, small-scale VAT taxpayers with monthly sales of less than RMB 100,000 will be exempt from VAT.

Until Dec 31 2027, small-scale VAT taxpayers' tax rate is reduced from standard 3% to 1%.

C. Expanded preferential tax items

Until Dec 31 2027, small-scale VAT payers, small low-profit enterprises and individual businesses can be reduced by 50% in the range of resources tax, urban maintenance and construction tax, real estate tax, urban land use tax, stamp tax (excluding stamp tax on securities transactions), cultivated land occupation tax, education surcharge and local education surcharge.

3. Withholding tax rate (non-treaty)	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Resident</th> <th colspan="2">Non-resident</th> </tr> <tr> <th>Individual</th> <th>Corporation*</th> <th>Individual</th> <th>Corporation</th> </tr> </thead> <tbody> <tr> <td>Dividends</td> <td>20%</td> <td>NA</td> <td>20%</td> <td>5%-10%</td> </tr> <tr> <td>Interest</td> <td>20%</td> <td>NA</td> <td>20%</td> <td>10%</td> </tr> <tr> <td>Royalties/Know-how</td> <td>20%</td> <td>NA</td> <td>20%</td> <td>10%</td> </tr> <tr> <td>Rents (for moveable property)</td> <td>20%</td> <td>NA</td> <td>20%</td> <td>10%</td> </tr> <tr> <td>Management fees</td> <td>20%-40%</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Technical fees</td> <td>20%</td> <td>NA</td> <td>20%</td> <td>NA</td> </tr> <tr> <td>Directors' fees</td> <td>20%-40%</td> <td>NA</td> <td>20%</td> <td>NA</td> </tr> </tbody> </table>		Resident		Non-resident		Individual	Corporation*	Individual	Corporation	Dividends	20%	NA	20%	5%-10%	Interest	20%	NA	20%	10%	Royalties/Know-how	20%	NA	20%	10%	Rents (for moveable property)	20%	NA	20%	10%	Management fees	20%-40%	NA	NA	NA	Technical fees	20%	NA	20%	NA	Directors' fees	20%-40%	NA	20%	NA
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	Technical fees	20%	NA	20%	NA																																								
Directors' fees	20%-40%	NA	20%	NA																																									
* Resident corporations are obliged to file income tax by themselves.																																													
4. Goods and Services tax	Value Added Tax for transaction of goods and services. The tax rate for selling or importing goods is 13%; the tax rate for provision of services is 6%; the tax rate for exporting goods is 0%.																																												
5. Estate duty	Estate duty is not applicable in China.																																												
6. Stamp duty	Enterprises who execute or receive specific documents within China shall be taxpayers subject to stamp tax. Tax payer shall calculate the amount of tax payable and purchase the tax stamps. The stamps shall be affixed to taxable documents and be cancelled by drawing a line or sealing along its border with the document.																																												
	<table border="1"> <thead> <tr> <th>Tax Item</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>Accounting books (except for the book for paid-in capital), Certificates evidencing rights or licenses</td> <td>CNY5 per piece</td> </tr> <tr> <td>Rent contract, Warehousing contract, Property insurance contracts</td> <td>1‰</td> </tr> <tr> <td>Processing contracts, Construction Survey and Design Contract, Transportation Contract, Transfer of property rights</td> <td>0.5‰</td> </tr> <tr> <td>Sales and purchase contract, Construction and installation contract, Technology Contract</td> <td>0.3‰</td> </tr> <tr> <td>Loan Contract</td> <td rowspan="2">0.05‰</td> </tr> <tr> <td>Accounting book for paid-in capital</td> </tr> </tbody> </table>	Tax Item	Tax Rate	Accounting books (except for the book for paid-in capital), Certificates evidencing rights or licenses	CNY5 per piece	Rent contract, Warehousing contract, Property insurance contracts	1‰	Processing contracts, Construction Survey and Design Contract, Transportation Contract, Transfer of property rights	0.5‰	Sales and purchase contract, Construction and installation contract, Technology Contract	0.3‰	Loan Contract	0.05‰	Accounting book for paid-in capital																															
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7. Property tax	The main property taxes in China include: building taxes, vehicle and vessel use tax, Vehicle purchase tax, deed tax, farm land occupation tax, and land value added tax.																																												

8. Income tax filing deadlines

Types of Form		Deadlines
Tax return	Individual	Before 15 of the following month
Tax return	Companies	Before 31 May of the following year

Note: Provisional enterprise income tax payments shall be filed and made on a quarterly basis within 15 days after the end of each quarter and annual enterprise income tax returns and settlement shall be made within five months after the end of each tax year.

9. Double Tax Agreements

Certain payments by resident in China to non-residents are subject to domestic withholding tax rates. The rates of taxes may be reduced under the terms of a double tax agreement with a treaty country as those listed below:

Country	Dividends %	Interest %	Royalties %
Australia	15	10	10
Austria	10/7	10/7	10/6
Bangladesh	10	10	10
Barbados	10/5	10	10
Belarus	10	10	10
Canada	10/15	10	10
France	10/5/0	10	10/6
Germany	15/10/5	10	10/6
India	10	10	10
Indonesia	10	10	10
Israel	10	10/7	10/7
Italy	10	10	10/7
Japan	10	10	10
Korea	10/5	10	10
Malaysia	10	10	10/15
Russia	10/5	0	6
Singapore	10/5	10/7	10/6
Switzerland	10/5/0	10	9
Thailand	15/20	10	15
U.K.	15/10/5	10	10/6
U.S.A	10	10	10/7
Vietnam	10	10	10

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ACCLIME.

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HONG KONG

2024 TAX CARD (IN HONG KONG DOLLARS)

1. Basis of Taxation

Hong Kong adopts a territorial source principle of taxation. Only profits arisen in or derived from a trade or a business in Hong Kong are taxable. In other words, profits sourced elsewhere are not subject to Hong Kong Tax. In Hong Kong, a year of assessment runs from 1 April of a year to 31 March of the following year. The basis of assessment is the income accrued in the tax year for salaries tax and property tax. For profits tax, the basis of assessment is the accounting profits of the financial year ending within the year of assessment with appropriate adjustments for tax purposes.

2. Corporate Tax

A person is chargeable to Hong Kong profits tax on any income from that trade, profession or business (excluding profits that are capital in nature) that are arisen in or are derived from Hong Kong.

		Tax rates
Companies	First HK\$2,000,000	8.25%
	On the remainder	16.5%
Unincorporated businesses	First HK\$2,000,000	7.5%
	On the remainder	15%

The Hong Kong government introduces two-tier profits tax rates regime in Hong Kong starting from the year of assessment (“YoA”) 2018/19 onwards. Under the two-tiered profits tax rates regime, the profits tax rate for the first HK\$2 million of assessable profits for companies and unincorporated business are 8.25% and 7.5% respectively, while the remaining balance will be calculated at the standard rates of 16.5% and 15% respectively. If the entity has one or more connected entity within a group, the two-tiered profits tax rates would only be applied to the one which is nominated to be chargeable at the two-tiered rates.

2.1. Tax relief for capital expenditure

Hong Kong offers a generous depreciation allowance with an initial allowance of 60% on the cost of qualifying fixed assets and an annual allowance of 10% to 30% on the reducing balance of plants and machineries. If the assets fall within the categories of prescribed fixed assets, such as computer hardware and software, the whole cost of purchase can be fully deductible in the year of purchase.

2.2. “Super tax deduction” on research and development (“R&D”) expenditure

To encourage the development of innovation and technology in Hong Kong, the government has introduced a “Super tax deduction” for qualifying R&D expenditure incurred on or after 1 April 2018. Under the new regime, there are 2 types of qualifying R&D expenditure, namely Type A and Type B:

2. Corporate Tax (cont.)

	Type A	Type B
Deduction	100% deduction	300% deduction for first HK\$2 million 200% deduction
Location of R&D	Inside or outside HK	Wholly inside HK
In-house expenditure	- Expenditure on R&D other than Type B	- Expenditure on employee who is engaged directly and actively in R&D activities - Expenditure on a consumable item used directly in R&D activities
Outsource expenditure	- Payment to a designated local research institution - Payment to a university or college	

2.3. Foreign- Sourced Income Exemption (“FSIE”) regime

Effective from 1 January 2023, certain foreign sourced passive income accrued to a member of an MNE group carry on a trade, profession or business in Hong Kong, subject to certain exemption conditions, may be regarded as arising in or derived from Hong Kong and chargeable to Profits Tax under the regime:

- Disposal gain from the sale of equity interests in an entity
- Dividend
- Interest
- Intellectual property income

3. Withholding tax rate (non-treaty)

	Resident (Note)	Non-resident Individual/ Corporation (Note)
Dividends	0%	0%
Interest	0%	0%
Royalties/know-how (Corporation)	4.95% / 16.5%	4.95% / 16.5%
Royalties/know-how (Non-corporation)	4.5% / 15%	4.5% / 15%
Rents (for moveable property)	16.5%	16.5%
Management fees	N/A	N/A
Technical fees	N/A	N/A

Note: Also subject to transfer pricing regulations if the above fee arrangement is made within a group, whether such group companies are located in or outside of Hong Kong.

4. Residential individual tax rates

Personal income from employment, less allowable deductions, concessionary deductions, and personal allowances, is chargeable to salaries tax at below progressive rates:

	Tax rates
First HK\$50,000 at	2%
Next HK\$50,000 at	6%
Next HK\$50,000 at	10%
Next HK\$50,000 at	12%
On the remainder at	17%

The maximum tax payable is limited to tax at the standard rate of 15% on the person's income from employment less allowable deductions and charitable donations, with no deduction for personal allowances.

		HK\$
PERSONAL ALLOWANCES		
Basic allowance		132,000
Married person's allowance		264,000
Child allowances		
<i>1st to 9th child (each)</i>	Year of birth	260,000
	Other years	130,000
Dependent parent / grandparent allowance (each)		
<i>Aged 60 or above</i>	Residing with taxpayer throughout the year	100,000
	Not residing with taxpayer	50,000
<i>Aged 55 to 59</i>	Residing with taxpayer throughout the year	50,000
	Not residing with taxpayer	25,000
Dependent brother / sister allowance (each)	(for whom no child allowance is claimed)	37,500
Single parent allowance		132,000
Personal disability allowance		75,000
Disable dependent allowance	(in addition to any allowances already granted for disabled person)	75,000
DEDUCTIONS	The following concessionary deductions are available:	
Domestic rental expenses (from 2022/23)		100,000
Self-education expenses		100,000
Elderly residential care expenses		100,000
Home loan interest		100,000
Mandatory Contributions to recognised retirement schemes		18,000
Qualifying premiums paid under the voluntary health insurance scheme policy (each taxpayer / specified relative)		8,000
Qualifying annuity premiums and mandatory voluntary contributions to recognised retirement schemes		60,000
Approved charitable donations		35% of assessable income

4. Residential individual tax rates (cont.)

5. Non-residential individual tax rates	<p>Non-resident tax rates are same as resident in Hong Kong.</p>																														
6. Goods and Services Tax	<p>Hong Kong does not levy a value-added or a goods and services tax.</p>																														
7. Estate duty	<p>No estate duty is charged in Hong Kong from 11/2/2006.</p>																														
8. Stamp duty	<p>Conveyance on sale of immovable property - Ad valorem stamp duty.</p> <table border="1" data-bbox="424 728 1259 1072"> <thead> <tr> <th>Property consideration (HK\$)</th> <th>Scale 1 rates (Note 2 & 5)</th> <th>Flat rate (Note 3)</th> </tr> </thead> <tbody> <tr> <td>Up to 2,000,000</td> <td>1.50%</td> <td rowspan="6">15%</td> </tr> <tr> <td>2,000,001 to 3,000,000</td> <td>3.00%</td> </tr> <tr> <td>3,000,001 to 4,000,000</td> <td>4.50%</td> </tr> <tr> <td>4,000,001 to 6,000,000</td> <td>6.00%</td> </tr> <tr> <td>6,000,001 to 20,000,000</td> <td>7.50%</td> </tr> <tr> <td>20,000,001 and above</td> <td>8.50%</td> </tr> </tbody> </table> <table border="1" data-bbox="424 1084 1018 1429"> <thead> <tr> <th>Property consideration (HK\$)</th> <th>Scale 2 rates (Note 4 & 5)</th> </tr> </thead> <tbody> <tr> <td>Up to 3,000,000</td> <td>HK\$100</td> </tr> <tr> <td>3,000,001 to 4,500,000</td> <td>1.50%</td> </tr> <tr> <td>4,500,001 to 6,000,000</td> <td>2.25%</td> </tr> <tr> <td>6,000,001 to 9,000,000</td> <td>3.00%</td> </tr> <tr> <td>9,000,001 to 20,000,000</td> <td>3.75%</td> </tr> <tr> <td>20,000,001 and above</td> <td>4.25%</td> </tr> </tbody> </table> <p>Note 1: Subject to marginal relief for entering into each higher value band. Note 2: The scale 1 rates are applicable to transfer of non-residential property. Note 3: The 15% flat rate is applicable to transfer of residential property on or after 5 November 2016 except circumstance where the Scale 2 rates are applicable. Note 4: The scales 2 rates are applicable to a Hong Kong Permanent Resident who does not own any other residential property in Hong Kong at the time of acquiring a residential property and certain other limited circumstances. Effective from 22 February 2023. Note 5: Specific marginal relief applies.</p> <p>Special stamp duty on disposal of residential properties</p> <p>There is a Special Stamp Duty (SSD) on resale of residential property within certain months from the date of acquisition. The SSD is imposed on top of the ad valorem stamp duty payable on conveyance on sale or agreement for sale of residential property with a few exemptions. The SSD payable will be calculated based on the stated consideration or the market value (whichever is higher) of the resold property at the regressive rates indicated below.</p>	Property consideration (HK\$)	Scale 1 rates (Note 2 & 5)	Flat rate (Note 3)	Up to 2,000,000	1.50%	15%	2,000,001 to 3,000,000	3.00%	3,000,001 to 4,000,000	4.50%	4,000,001 to 6,000,000	6.00%	6,000,001 to 20,000,000	7.50%	20,000,001 and above	8.50%	Property consideration (HK\$)	Scale 2 rates (Note 4 & 5)	Up to 3,000,000	HK\$100	3,000,001 to 4,500,000	1.50%	4,500,001 to 6,000,000	2.25%	6,000,001 to 9,000,000	3.00%	9,000,001 to 20,000,000	3.75%	20,000,001 and above	4.25%
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8. Stamp duty (cont.)

Holding period	
For residential properties held for 6 months or less	20%
For residential properties held for more than 6 months but for 12 months or less	15%
For residential properties held for more than 12 months but for 36 months or less	10%

Buyer's stamp duty on acquisition of residential properties

There is a Buyer's Stamp Duty (BSD) on acquisition of Hong Kong residential properties by any person (including Hong Kong and foreign companies) other than a Hong Kong permanent resident.

The BSD will be charged at a flat rate of 15% of the stated consideration or the market value of the property acquired, whichever is the higher. The BSD will be imposed on top of the ad valorem stamp duty and the Special Stamp Duty (if applicable), with exemptions in certain situations.

Lease of immovable property in Hong Kong

For leases, stamp duty is calculated at a specified rate of the annual rental that varies with the term of the lease as indicated in the following table:

Lease period	Stamp duty
Where the lease term is not defined or is uncertain	0.25%
Not more than 1 year	0.25%
More than 1 year but does not exceed 3 years	0.5%
More than 3 years	1%

Hong Kong stock

The rate of stamp duty on stock transactions is 0.26% of the consideration (HK\$2.6 per HK\$1,000) per transaction.

Hong Kong bearer instrument

Duty of 3% of the market value is charged for any Hong Kong bearer instrument issued in respect of any stock.

9. Property tax

Property tax is charged on the owner of any land or buildings in Hong Kong on the net assessable value of such land and buildings. Property tax is charged at a flat rate at 15% on 80% of the rent receivable on non-corporate owners of real estate in Hong Kong.

Rental income derived by a company from a Hong Kong property is subject to profits tax. The company that is subject to profits tax may apply in writing for an exemption from property tax in respect of the property. If no exemption is applied, the property tax paid can be used to offset profits tax payable by the company.

10. Income tax filing deadlines

Types of Form		Deadlines
Individual income tax return	Residential individual	1st June, 1-month extension for using electronic filing by eTax system
Individual income tax return	Non-residential individual	1st June, 1-month extension for using electronic filing by eTax system
Employer's return	Companies (employer)	2nd May
Profits tax return	Companies	Refer to following table of filing deadlines
Profits tax return	Partnerships	

In the following table, it is assumed that the profits tax return is generally issued in early April of each year.

For accounting year ended between	Normal filing date for represented cases	Due date for tax payment
1 April to 30 November	2nd May of the following year	As stipulated in the notice of assessment, generally between November of the year in which the return is issued to April of the following year.
1 December to 31 December	15th August of the following year	
1 January to 31 March	15th November	

11. Double Tax Agreements

Certain payments made by non-residents to Hong Kong are subject to domestic withholding tax rates. With a valid double tax agreement in effect, the withholding tax rates may be reduced to a treaty rate. The below table shows all jurisdictions has currently already a double tax agreement with Hong Kong that has been in effect and the respective withholding tax rates under different categories.

No	Country	Dividend % (Note 1)	Interest % (Note 2)	Royalties % (Note 3)	Technical %
1	Austria	0% / 10%	-	3%	NA
2	Belarus	0% / 5%	5%	3% / 5%	NA
3	Belgium	0% / 5% / 15%	10%	5%	NA
4	Brunei	-	5% / 10%	5%	15%
5	Cambodia	10%	10%	10%	10%
6	Canada	5% / 15%	10%	10%	NA
7	Czech Republic	5%	-	10%	NA
8	Estonia	0% / 10% (Note 2)	0% or 10%	5%	NA
9	Finland	5% / 10%	-	3%	NA
10	France	10%	10%	10%	NA
11	Georgia	0% / 5%	0% / 5%	5%	NA
12	Guernsey	-	-	4%	NA
13	Hungary	5% / 10%	5%	5%	NA
14	India	5%	10%	10%	10%
15	Indonesia	5% / 10%	10%	5%	NA
16	Ireland	-	10%	3%	NA

11. Double Tax Agreements (cont.)

17	Italy	10%	12.5%	15%	NA
18	Japan	5% / 10%	10%	5%	NA
19	Jersey	-	-	4%	NA
20	Korea	10% / 15%	10%	10%	NA
21	Kuwait	0% / 5%	5%	5%	NA
22	Latvia	0% / 10%	0% / 10%	0% / 3%	NA
23	Liechtenstein	-	-	3%	NA
24	Luxembourg	0% / 10%	-	3%	NA
25	Macao SAR	5%	5%	3%	NA
26	Mainland China	5% / 10%	7%	5% / 7%	NA
27	Malaysia	5% / 10%	10%	8%	5%
28	Malta	-	-	3%	NA
29	Mauritius (Note 5)	0% / 5%	5%	5%	NA
30	Mexico	-	4.9%/10%	10%	NA
31	Netherlands	0% / 10%	-	3%	NA
32	New Zealand	0% / 5% / 15%	10%	5%	NA
33	Pakistan	10%	10%	10%	12.5%
34	Portugal	5% / 10%	10%	5%	NA
35	Qatar	-	-	5%	NA
36	Romania	3% / 5%	3%	3%	NA
37	Russia	0% / 5% / 10%	-	3%	NA
38	Saudi Arabia	5%	-	5%/8%	NA
39	Serbia	5% / 10%	10%	5% / 10%	NA
40	South Africa	5% / 10%	10%	5%	NA
41	Spain	0% / 10%	5%	5%	NA
42	Switzerland	0% / 10%	-	3%	NA
43	Thailand	10%	10% / 15%	5% / 10% / 15%	NA
44	United Arab Emirates	0% / 5%	5%	5%	NA
45	United Kingdom	0% / 15%	Domestic rate	3%	NA
46	Vietnam	10%	10%	7% / 10%	NA

Note 1: depending on the beneficial owner's % of shares holds in the company paying dividend.

Note 2: depending on the beneficial owner is natural person, corporation or financial institution.

Note 3: depending on the industries/purpose of the royalties paid to.

Note 4: The Arrangement will come into force after the completion of ratification procedures by both sides. In the case of Hong Kong, the Arrangement will be implemented by way of an order to be made by the Chief Executive in Council under the Inland Revenue Ordinance (Cap. 112). The order is subject to negative vetting by the Legislative Council.

Note 5: Proposed rates only and yet to come into force.

ACCLIME.

Updated
March 2024

Firm: Acclime Corporate Services Limited - www.acclime.com
Email: contact@acclime.com

INDIA

2024 TAX CARD (IN INDIAN RUPEE)

1. Basis of taxation

Income of the all assesseees is taxed on a previous year (PY) to the assessment year (AY) basis. PY starts from 1st April and ends on 31st March. For example, income for PY 2024-25 is taxable in the AY 2025-26.

Tax is charged on-

Sr. No.	For Resident	For Non-Resident
	<p>All Income</p> <ul style="list-style-type: none"> Received or deemed to be received in India Accrue or arise or deemed to be accrue or arise in India Accrue or arises to him outside India 	<p>All Income</p> <ul style="list-style-type: none"> Received or deemed to be received in India Accrue or arise or deemed to be accrue or arise in India

2. Corporate tax

Tax Rates for companies shall be for FY 2024-25:

Particulars	Total Turnover up to Rs. 4000 million in FY 2022-23	Total Turnover exceeding Rs. 4000 million in FY 2022-23	Section 115BAA	Section 115BAB	Foreign Company
Basic Tax Rate	25%	30%	22%	15%	40%

Surcharge: In addition to tax rate above, surcharge is levied as under:

Residential Status of Company	If total income is Rs. 10 to 100 Million	If total income is → Rs. 100 Million
Domestic Company	7%	12%
Foreign Company	2%	5%

Note: Surcharge will be levied at flat rate of 10% if company opts for section 115BAA & section 115BAB.

Education & Health Cess:

- Education & Health Cess is levied @ 4% of income-tax and surcharge

Note: Section 115BAA has been inserted to provide for reduced tax rate of 22% in case of a domestic company whose total income is computed without providing for specified exemption, deduction or incentive available under the Act. Section 115BAB has been inserted to provide for a reduced tax rate of 15% in case of those domestic manufacturing companies which have been incorporated on or after October 1, 2019 and whose total income is computed without providing for specified exemption, deduction or incentive available under the Act.

2. Corporate tax (cont.)

Minimum Alternate Tax (MAT): Tax Rate for MAT is 15% (previously 18.5%) on Book profit plus applicable cess and surcharges for the FY 2024-25. If company opts for section 115BAA & 115BAB, then MAT would not be applicable.

However, if a company is located in an International Financial Services Centre and derives its income solely in convertible foreign exchange, the MAT will be 9% of Book profit. Surcharge and Education & Health cess is also applicable as applicable under normal tax provisions.

Dividend Distribution Tax (DDT): Dividend Distribution Tax (DDT) will be abolished from April 01, 2020 which means company is not required to deposit DDT as the liability shifted to shareholders at their applicable rate.

Tax Audit Limit: Tax Audit limits enhanced to Rs. 10 Crores from Rs. 5 Crores subject to fulfillment of certain condition. i.e. Less than 5% cash transaction.

In order to benefit more MEME segments thresholds for eligibility to avail the benefit of the presumptive schemes, eligibility limit for business and professions is increased as below:

Section	Old Limit	New Limit
44AD	Rs. 2 Crore	Rs. 3 Crore
44ADA	Rs. 50 Lakh	Rs. 75 Lakh

Please note that above limit is applicable when cash receipts does not exceed 5% of the total turnover or gross receipts, & non account payee receipt, shall be deemed to be the receipt in cash.

Tax incentives to start-up: The tax holiday for start-ups has been extended by one more year up to 31st March 2024.

Tax Incentives to International Financial Services Centre: It is proposed to amend the period of tax benefits extended up to 31.03.2025 to funds relocating to IFSC, GIFT City.

Tax applicability on Online gaming: It is proposed to tax winning amount from online gaming @30% therefore TDS is also applicable on same rate;

Now investment from the **non-resident investors will also be taxable as Other sources of the company** under section 56(2)(viib) where investment value is more than Fair Market Value of the shares as earlier only resident investors are under ambit of the provision.

3. Withholding tax rate (non-treaty)

	Resident	Non-resident Individual/ Corporation*
Dividends	10%	20%
Interest	10%	20% (5% in some cases)
Royalties/know-how	10% (2% in some cases)	20%
Rents for immovable property	10%	30%
Rents for moveable property	2%	30%
Management fees	2%	20%
Technical fees	2%	20%
Directors' fees	10%	30%
Professional fees	10%	30%

*This rate of tax will be further increase by Surcharge and Education & Health Cess as applicable.

4. Test or basis of tax residence

Corporate residence	<p>A company is said to be resident in India in any previous year, if (i) it is an Indian company; or (ii) its place of effective management, in that year is in India</p> <p>Explanation: For the purposes of this clause "place of effective management" means a place where key management and commercial decisions that are necessary for the conduct of business of an entity as a whole are, in substance made.]</p>
Individual residence	<p>For individual, tax residency is decided on the basis of number of days stayed in India.</p> <p>According to the tax laws, an individual is a tax resident if he or she is present in India for:</p> <ol style="list-style-type: none"> 1) 182 days or more in a previous year or; 2) 60 days or more in a previous year and; 3) 365 days or more during the preceding 4 previous years. <p>However, the 60 days may be extended to:</p> <ol style="list-style-type: none"> a) 182 days, where an Indian citizen leaves India in any year for employment outside India; b) 120 days, where an Indian citizen or a foreign citizen of Indian origin (NRI), who is outside India, comes on a visit to India.

5. Residential individual tax rates

In case of an Individual (resident):

Taxable Income	Tax Rate (%)
Upto Rs. 2,50,000	Nil
Rs. 2,50,000 to Rs. 5,00,000	5%
Rs. 5,00,000 to Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

In case of a resident senior citizen (who is 60 years or more at any time during the previous year but less than 80 years on the last day of the previous year):

Taxable Income	Tax Rate (%)
Upto Rs. 3,00,000	Nil
Rs. 3,00,000 to Rs. 5,00,000	5%
Rs. 5,00,000 to Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

In case of a resident super senior citizen (who is 80 years or more at any time during the previous year):

Taxable Income	Tax Rate (%)
Upto Rs. 5,00,000	Nil
Rs. 5,00,000 to Rs. 10,00,000	20%
Above Rs. 10,00,000	30%

However, an optional tax slab rate is proposed for Individuals /HUF by insertion of section 115BAC in the Act, which provides the slab rate as below (subject to fulfilment of certain conditions):

Taxable Income	Tax Rate (%)
Up to INR 3,00,000	NIL
INR 3,00,001 to INR 6,00,000	5%
INR 6,00,001 to INR 9,00,000	10%
INR 9,00,001 to INR 12,00,000	15%
INR 12,00,001 to INR 15,00,000	20%
Above INR 15,00,000	30%

Note: Default tax regime will be u/s 115BAC from AY 2024-25 onwards.

a) Surcharge: In case of Individuals/ HUF/ AOPs/BOI Surcharge are as under levied on categories of whose annual taxable income is as follows;

Taxable Income	Surcharge Rate (%) - Old tax regime	Surcharge Rate (%) - New tax regime
Up to Rs. 50,00,000	Nil	Nil
Rs. 50,00,001 to Rs. 1,00,00,000	10%	10%
Rs. 1,00,00,001 to Rs. 2,00,00,000	15%	15%
Rs. 2,00,00,001 to Rs. 5,00,00,000	25%	25%
Above Rs. 5,00,00,000	37%	25%

<p>5. Residential individual tax rates (cont.)</p>	<p>However, rate of surcharge will be limited to 15% if income Short-term Capital Gain Section 111A and Long-term Capital Gain of the Act.</p> <p>The surcharge shall be subject to marginal relief.</p> <p>b. Education & Health Cess: The amount of income-tax and the applicable surcharge shall be further increased by education & health cess calculated at the rate of 4% of such income-tax and surcharge.</p> <p>c. Rebate under Section 87A: The rebate is available to a resident individual if his total income does not exceed Rs. 5,00,000. The amount of rebate shall be 100% of income-tax or Rs. 12,500, whichever is less. For the Resident individuals who opted the new tax regime u/s 115BAC this limit has been increased to Rs.7,00,000. Rebate U/s 87A is subject to marginal relief from AY 2024-25. If net income exceeds Rs.7,00,000 but does not exceed Rs.7,27,770, income-tax on such income cannot exceed the amount by which the net income exceeds Rs.7,00,000.</p> <p>d. Standard Deduction: Standard deduction of Rs.50,000 along with family pension will be also allowed in tax regime as well.</p>
<p>6. Non-residential individual tax rates</p>	<p>Same as above excluding Rebate under Section 87A.</p>
<p>7. Faceless assessment/appeal</p>	<p>The Indian Tax Authority is following a conscious policy of making all the processes under the Act, therefore, fully faceless scheme is introduced by eliminating person to person interface between the taxpayer and the Department. Therefore, in line with this policy, and in order to enable centralized issuance of notices etc. in an automated manner, all assessment & appeal will be faceless which means now there is no need to visit Income tax department for such task.</p>
<p>8. Goods and services tax</p>	<p>Most of the commodities and services that are subject to GST have been categorised under four tax slabs, viz. 5%, 12%, 18%, and 28%.</p> <p>In the GST Regime, for State & union territories, businesses whose turnover exceeds Rs. 2 million (Rs 1 million for Northern Eastern and hill states) is required to register as a normal taxable person. The limit has been extended up to Rs. 4 million in case of supply of Goods. However, GST registration is mandatory if taxpayer is supplying inter-state supplies.</p> <p>Other types of Taxpayer that can be registered under GST are listed below:</p> <ol style="list-style-type: none"> 1. Non-resident taxable person 2. Casual taxable person 3. Input service distributor 4. Online Information database access or retrieval services (OIDAR) 5. Person deducting TDS/TCS under GST <p>GST registration for above taxpayers is mandatory. No turnover exemption to available to them.</p>

8. Goods and services tax (cont.)

Types of Return to be filed under GST Act depends upon the type of the taxpayers, are GSTR-1, GSTR-3B, GSTR-5, GSTR-6, GSTR-7, GSTR-8 and Annual return compliance. Frequency of filing of those returns depends upon the type of taxpayer and their respective turnover.

Quarterly Return Filing & Monthly Payment (QRMP) scheme has been implemented to give relief to the taxpayers having turnover up to INR 50 million. Under QRMP taxpayer needs to file Quarterly return with monthly payment of Taxes.

E-Invoicing has been made mandatory from the Oct 01, 2022 for the taxpayer having turnover of INR 100 million or more. E-Invoices shall contain Invoice reference number (IRN) which shall be generated from the portal provided by the government. Details filled in the E-invoice shall be automatically transmitted to GSTR-1 and the Part-a of the E-way bill.

E-Commerce operators can opt for Composition scheme and pay the minimum GST.

Harmonized System of Nomenclature Code (HSN) are made mandatory to be mentioned on Invoices with variation in number of digits basis turnover. For the taxpayer having turnover up to 50Million needs to mention 4 digits and for taxpayer having turnover of more than 50Million required to mention up to 6 digits of HSN code.

Sr. No.	Aggregate Turnover in the preceding Financial Year	Number of Digits of Harmonized System of Nomenclature Code (HSN Code)
1	Up to rupees Fifty Million	4
2	more than rupees Fifty Million	6

9. Estate duty

No estate tax in India as any amount received under a will or by way of inheritance or in contemplation of death of the payer is exempted under section 56(ii) from the levy of any income tax.

10. Stamp duty

Stamp Duty is a state subject in India. While some of the States in India have enacted their own Stamp Acts others have adopted the Indian Stamp Act, 1899 [ISA] with their state amendments.

11. Property tax

Gain on disposal of property is taxable under Income Tax Act. Property tax in India is to be paid on real property. It varies from Location to location and can be different in different cities and municipalities and states. It is the duty of the municipality of a particular area to do the assessment and determine the property tax which can be paid online on annual or semi-annual basis.

12. Due date of filing of income tax returns

*Form for A.Y. 2024-25 are released by the Revenue Authorities

Types of Form	Residential Status	Deadlines
ITR -1,2,3,4	Resident Individual & HUF	31st July of following year (In case of Tax Audit, Due date will be 31st October of following years)
ITR-2	Non-Resident Individual	31st July of following year
ITR- 6	Companies	31st October of following year 30th November of following year (If Transfer Pricing Regulation applies)
ITR-5	Person other than- Individual, HUF, Company, Trust.	31st July of following year (In case of Tax Audit, Due date will be 31st October of following years)
ITR-7	Trust (Registered U/s 12AA)	

13. Double tax agreements

Certain payments by resident in India to non-residents are subject to domestic withholding tax rates. The rates of taxes may be reduced under the terms of a double tax agreements with a treaty country as those listed below.

Country	Dividend (%) (*)	Interest (%)	Royalty (%)	Fee for Technical Services(%)
Albania	10	10	10	10
Armenia	10	10	10	10
Australia	15	15	10/15	10/15
Austria	10	10	10	10
Bangladesh	a) 10 (if at least 10 of the capital of the company paying the dividend is held by the recipient company); b) 15 in all other cases	10	10	No Separate Provision
Belarus	a) 10, if paid to a company holding 25 shares; b) 15, in all other cases	10	15	15
Belgium	15	15 (10 loan is if granted by a bank)	10	10
Bhutan	10	10	10	10
Botswana	a) 7.5, if shareholder is a company and holds at least 25 shares in the investee company; b) 10, in all other cases	10	10	10
Brazil	15	15	25 for use of trademark; 15 for others	No Separate Provision
Bulgaria	15	15	15 of royalty relating to literary, artistic, scientific works other than films or tapes used for radio or television broadcasting; 20 in other cases	20

**13.
Double tax
agreements
(cont.)**

Country	Dividend (%) (*)	Interest (%)	Royalty (%)	Fee for Technical Services(%)
Canada	a) 15, if at least 10 of the voting powers in the company, paying the dividends, is controlled by the recipient company; b) 25, in other case	15	15-20	15-20
China	10	10	10	10
Columbia	5	10	10	10
Croatia	a) 5 (if at least 10 of the capital of the company paying the dividend is held by the recipient company); b) 15 in all other cases	10	10	10
Cyprus	10	10	15	10
Czech Republic	10	10	10	10
Denmark	a) 15, if at least 25 of the shares of the company paying the dividend is held by the recipient company; b) 25, in other cases	a) 10 if loan is granted by bank; b) 15 for others	20	20
Estonia	10	10	10	10
Ethiopia	7.5	10	10	10
Finland	10	10	10	10
Fiji	5	10	10	10
France	10	10	10	10
Georgia	10	10	10	10
Greece	20	20	10	No separate provision
Germany	10	10	10	10
Hong-Kong	5	10	10	10
Hungary	10	10	10	10
Indonesia	10	10	10	10
Iceland	10	10	10	10
Iran	10	10	10	10
Ireland	10	10	10	10
Israel	10	10	10	10
Italy	a) 15 if at least 10 of the shares of the company paying dividend is beneficially owned by the recipient company b) 25 in other cases;	15	20	20
Japan	10	10	10	10

**13.
Double tax
agreements
(cont.)**

Country	Dividend (%) (*)	Interest (%)	Royalty (%)	Fee for Technical Services(%)
Jordan	10	10	20	20
Kazakhstan	10	10	10	10
Kenya	10	10	10	10
Korea	15	10	10	10
Kuwait	10	10	10	10
Kyrgyz Republic	10	10	15	15
Libyan Arab Jamahiriya	20	20	30	No separate provision
Latvia	10	10	10	10
Lithuania	5*, 15	10	10	10
Luxembourg	10	10	10	10
Malaysia	5	10	10	10
Malta	10	10	10	10
Mongolia	15	15	15	15
Mauritius	a) 5, if at least 10 of the capital of the company paying the dividend is held by the recipient company; b) 15, in other cases	7.5	10	10
Montenegro	5 (in some cases 15)	10	10	10
Myanmar	5	10	10	No separate provision
Morocco	10	10	10	10
Mozambique	7.5	10	10	No separate provision
Macedonia	10	10	10	10
Namibia	10	10	10	10
Nepal	5**,10	10	15	No separate provision
Netherlands	10	10	10	10
New Zealand	15	10	10	10
Norway	10	10	10	10
Oman	a) 10, if at least 10 of shares are held by the recipient company; b) 12.5, in other cases	10	15	15
Philippines	a) 15, if at least 10 of the shares of the company paying the dividend is held by the recipient company; b) 20, in other case	a) 10, if interest is received by a financial institution or insurance company; b) 15 in other cases	15 if it is payable in pursuance of any collaboration agreement approved by the Government of India	No separate provision

**13.
Double tax
agreements
(cont.)**

Country	Dividend (%) (*)	Interest (%)	Royalty (%)	Fee for Technical Services(%)
Poland	10	10	15	15
Portuguese Republic	10***/15	10	10	10
Qatar	a) 5, if at least 10 of the shares of the company paying the dividend is held by the recipient company; b) 10, in other cases	10	10	10
Romania	10	10	10	10
Russian Federation	10	10	10	10
Saudi Arabia	5	10	10	No separate provision
Serbia	a) 5, if recipient is company and holds 25 shares; b) 15, in any other case	10	10	10
Singapore	a) 10, if at least 25 of the shares of the company paying the dividend is held by the recipient company; b) 15, in other cases	a) 10, if loan is granted by a bank or similar institute including an insurance company; b) 15, in all other cases	10	10
Slovenia	a) 5, if at least 10 of the shares of the company paying the dividend is held by the recipient company; b) 15, in other cases	10	10	10
South Africa	10	10	10	10
Spain	15	15	10/20	20
Sri Lanka	7.5	10	10	10
Sudan	10	10	10	10
Sweden	10	10	10	10
Swiss Confederation	10	10	10	10
Syrian Arab Republic	a) 5, if at least 10 of the shares of the company paying the dividend is held by the recipient company; b) 10, in other cases	10	10	No separate provision
Taipei	12.5	10	10	10

**13.
Double tax
agreements
(cont.)**

Country	Dividend (%) (*)	Interest (%)	Royalty (%)	Fee for Technical Services(%)
Tajikistan	a) 5, if at least 25 of the shares of the company paying the dividend is held by the recipient company; b) 10, in other cases	10	10	No separate provision
Tanzania	5****, 10	10	10	No separate provision
Thailand	10	10	10	No separate provision
Trinidad and Tobago	10	10	10	10
Turkey	15	a) 10 if loan is granted by a bank, etc.; b) 15 in other cases	15	15
Turkmenistan	10	10	10	10
Uganda	10	10	10	10
Ukraine	a) 10, if at least 25 of the shares of the company paying the dividend is held by the recipient company; b) 15, in other cases	10	10	10
United Arab Emirates	10	a) 5 if loan is granted by a bank/similar financial institute; b) 12.5, in other cases	10	No separate provision
United Mexican States	10	10	10	10
United Kingdom	15/10	a) 10, if interest is paid to a bank; b) 15, in other cases	10/15	10/15
United States	a) 15, if at least 10 of the voting stock of the company paying the dividend is held by the recipient company; b) 25 in other cases	a) 10 if loan is granted by a bank/similar institute including insurance company; b) 15 for others	10/15	10/15

13. Double tax agreements (cont.)

Country	Dividend (%) (*)	Interest (%)	Royalty (%)	Fee for Technical Services(%)
Uruguay	5	10	10	10
Uzbekistan	10	10	10	10
Vietnam	10	10	10	10
Zambia	a) 5, if at least 25 of the shares of the company paying the dividend is held by a recipient company for a period of at least 6 months prior to the date of payment of the dividend; b) 15 in other cases	10	10	10

* If beneficial owner is a company (other than a partnership) which holds directly at least 10% of the capital of the company paying dividends.

** 5 % if beneficial owner of shares is a company and it holds at least 10% shares of company.

*** If the beneficial owner is a company that, for an uninterrupted period of two fiscal years prior to the payment of the dividend, owns directly at least 25 per cent of the capital stock of the company paying the dividends.

**** 5% if recipient company owns at least 25% share in the company paying the dividend.



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VIKAS KOCHHAR & ASSOCIATES
CHARTERED ACCOUNTANTS

Updated
March 2024

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INDONESIA

2024 TAX CARD (IN INDONESIA RUPIAH)

1. Basis of taxation

Income tax is based on any revenue derived from Indonesia and from outside of Indonesia (worldwide income) [Income Tax Law Art. 4(1)].
Fiscal year is normally January-December but may be different with approval from Directorate General of Taxes [General Tax Provisions and Procedures Law Art. 1(8), 28(6)].

Tax returns are submitted by taxpayers based on a self-assessment basis.

2. Corporate tax

Corporate income tax rate is 22% from taxable income [Income Tax Law Art. 17(1)b].

Corporate taxpayers with annual gross revenue up to IDR 50 billion are eligible for 50% tax rate reduction, for gross revenue up to IDR 4.8 billion [Income Tax Law Art. 31E].

Corporate taxpayers with annual gross revenue up to IDR 4.8 billion, they may be subject to final income tax of 0,5% from gross revenue.

3. Withholding tax rate (non-treaty)

	Resident Individual	Resident Corporation	Non-resident
Dividends	0% if reinvested in Indonesia within certain period 10% if otherwise	0%	20%
Interest	15%	15%	20%
Royalties	15%	15%	20%
Rental of land and buildings	10%	10%	20%
Rental other than land and buildings	2%	2%	20%

4. Basis of tax residence

An individual is a resident if he/she fulfils any of the following:

- Resides in Indonesia.
- Is present in Indonesia for more than 183 days in 12-month period.
- Is present in Indonesia during a fiscal year and intends to reside in Indonesia.

A corporate is a resident if it is established or domiciled in Indonesia.

5. Residential individual tax rates	<table border="1"> <thead> <tr> <th data-bbox="421 235 976 286">Taxable income</th> <th data-bbox="981 235 1418 286">Rate</th> </tr> </thead> <tbody> <tr> <td data-bbox="421 293 976 327">Up to IDR 60 million</td> <td data-bbox="981 293 1418 327">5%</td> </tr> <tr> <td data-bbox="421 333 976 367">IDR 60 million – 250 million</td> <td data-bbox="981 333 1418 367">15%</td> </tr> <tr> <td data-bbox="421 374 976 407">IDR 250 million – 500 million</td> <td data-bbox="981 374 1418 407">25%</td> </tr> <tr> <td data-bbox="421 414 976 448">IDR 500 million – 5 billion</td> <td data-bbox="981 414 1418 448">30%</td> </tr> <tr> <td data-bbox="421 454 976 488">Above IDR 5 billion</td> <td data-bbox="981 454 1418 488">35%</td> </tr> </tbody> </table>	Taxable income	Rate	Up to IDR 60 million	5%	IDR 60 million – 250 million	15%	IDR 250 million – 500 million	25%	IDR 500 million – 5 billion	30%	Above IDR 5 billion	35%
Taxable income	Rate												
Up to IDR 60 million	5%												
IDR 60 million – 250 million	15%												
IDR 250 million – 500 million	25%												
IDR 500 million – 5 billion	30%												
Above IDR 5 billion	35%												
6. Non- residential individual tax rates	<p>Non-residential individual tax rate is 20% (subject to tax treaty).</p>												
7. Goods and services tax	<p>Value added tax (VAT) rate for goods and services is 11%.</p> <p>Taxpayer is required to register as VAT taxpayer when goods and services exceeds IDR 4.8 billion.</p>												
8. Estate duty	<p>N/A</p>												
9. Stamp duty	<p>Stamp duty is IDR 10,000 (less than USD 1) and is payable for certain documents, e.g.: agreements, notarial deeds, securities, documents that mention a sum of money amounting to more than IDR 5 million, etc.</p>												
10. Property tax	<p>Land and Building Tax (Pajak Bumi dan Bangunan/PBB) is a state tax and is payable by individual or entity that hold the right to the land. It is paid yearly based on the Sales Value of Tax Object (Nilai Jual Objek Pajak/NJOP) determined by the local revenue office. Based on Law No. 1 of 2022 Art. 41, the highest tax rate may be up to 0.5%.</p>												
11. Income tax filing deadlines	<table border="1"> <tr> <td data-bbox="421 1697 817 1794">Individual annual tax return</td> <td data-bbox="821 1697 1457 1794">The end of the third month after end of fiscal year (typically 31 March). [General Tax Provisions and Procedures Law Art. 3(3)]</td> </tr> <tr> <td data-bbox="421 1800 817 1897">Corporate annual tax return</td> <td data-bbox="821 1800 1457 1897">The end of the fourth month after end of fiscal year (typically 30 April). [General Tax Provisions and Procedures Law Art. 3(3)]</td> </tr> <tr> <td data-bbox="421 1904 817 2000">Monthly withholding tax return</td> <td data-bbox="821 1904 1457 2000">20th of the following month [KUP Ps. 3(3)] [General Tax Provisions and Procedures Law Art. 3(3)]</td> </tr> <tr> <td data-bbox="421 2007 817 2078">Monthly VAT tax return</td> <td data-bbox="821 2007 1457 2078">The end of the following month [VAT Law Art. 15A(2)]</td> </tr> </table>	Individual annual tax return	The end of the third month after end of fiscal year (typically 31 March). [General Tax Provisions and Procedures Law Art. 3(3)]	Corporate annual tax return	The end of the fourth month after end of fiscal year (typically 30 April). [General Tax Provisions and Procedures Law Art. 3(3)]	Monthly withholding tax return	20th of the following month [KUP Ps. 3(3)] [General Tax Provisions and Procedures Law Art. 3(3)]	Monthly VAT tax return	The end of the following month [VAT Law Art. 15A(2)]				
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Monthly withholding tax return	20th of the following month [KUP Ps. 3(3)] [General Tax Provisions and Procedures Law Art. 3(3)]												
Monthly VAT tax return	The end of the following month [VAT Law Art. 15A(2)]												

In addition to Corporate Income Tax, a Permanent Establishment is also subject to Branch Profit Tax of 20% from its net profit after tax (may be lower, subject to tax treaty).

Summary of withholding tax rates applicable under tax treaty:

	Country	Dividends %		Interest (%)	Royalties %	Branch Profit Tax
		Portfolio	Substantial holdings			
1	Algeria	15	15	15	15	10
2	Armenia	15	10	10	10	10
3	Australia	15	15	10	15/10	15
4	Austria	15	10	10	10	12
5	Bangladesh	15	10	10	10	10
6	Belarus	10	10	10	10	10
7	Belgium	15	10	10	10	10
8	Brunei	15	15	15	15	10
9	Bulgaria	15	15	10	10	15
10	Cambodia	10	10	10	10	10
11	Canada	15	10	10	10	15
12	China	10	10	10	10	10
13	Croatia	10	10	10	10	10
14	Czech Republic	15	10	12.5	12.5	12.5
15	Denmark	20	10	10	15	15
16	Egypt	15	15	15	15	15
17	Finland	15	10	10	15/10	15
18	France	15	10	15/10	10	10
19	Germany	15	10	10	15/10	10
20	Hong Kong	10	5	10	5	5
21	Hungary	15	15	15	15	20
22	India	10	10	10	10	15
23	Iran	7	7	10	12	7
24	Italy	15	10	10	15/10	12
25	Japan	15	10	10	10	10
26	Jordan	10	10	10	10	20
27	Korea (North)	10	10	10	10	10
28	Korea (South)	15	10	10	15	10
29	Kuwait	10	10	5	20	10
30	Laos	15	10	10	10	10
31	Luxembourg	15	10	10	12.5	10
32	Malaysia	10	10	10	10	12.5
33	Mexico	10	10	10	10	10
34	Mongolia	10	10	10	10	10
35	Morocco	10	10	10	10	10
36	Netherlands	10/15	5	10/5	10	10
37	New Zealand	15	15	10	15	20
38	Norway	15	15	10	15/10	15
39	Pakistan	15	10	15	15	10
40	Papua New Guinea	15	15	10	10	15

12. Double tax agreements

**12.
Double tax
agreements
(cont.)**

	Country	Dividends %		Interest (%)	Royalties %	Branch Profit Tax
		Portfolio	Substantial holdings			
41	Philippines	20	15	15/10	15	20
42	Poland	15	10	10	15	10
43	Portugal	10	10	10	10	10
44	Qatar	10	10	10	5	10
45	Romania	15	12.5	12.5	15/12.5	12.5
46	Russia	15	15	15	15	12.5
47	Serbia	15	15	10	15	15
48	Seychelles	10	10	10	10	20
49	Singapore	15	10	10	8/10	10
50	Slovakia	10	10	10	15/10	10
51	South Africa	15	10	10	10	10
52	Spain	15	10	10	10	10
53	Sri Lanka	15	15	15	15	20
54	Sudan	10	10	15	10	10
55	Suriname	15	15	15	15	15
56	Sweden	15	10	10	15/10	15
57	Switzerland	15	10	10	10	10
58	Syria	10	10	10	20/15	10
59	Taiwan	10	10	10	10	5
60	Tajikistan	10	10	10	10	10
61	Thailand	20/15	20/15	15	15	20
62	Tunisia	12	12	12	15	12
63	Turkey	15	10	10	10	10
64	Ukraine	15	10	10	10	10
65	United Arab Emirates	10	10	7	5	5
66	United Kingdom	15	10	10	15/10	10
67	United States of America	15	10	10	10	10
68	Uzbekistan	10	10	10	10	10
69	Venezuela	15	10	10	20	10
70	Vietnam	15	15	15	15	10
71	Zimbabwe	20	10	10	15	10

 Updated
 March 2024

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MALAYSIA

2024 TAX CARD (IN MALAYSIAN RINGGI)

1. Basis of Taxation

Income is taxed on a current year basis. All taxpayers are required to submit tax returns on a self-assessment basis. Income tax shall be charged for each year of assessment upon the income of any person accruing in or derived from Malaysia or received in Malaysia from outside Malaysia.

Prior to 01/01/2022, income of any person, other than a resident company carrying on the business of banking, insurance or sea or air transport, for the basis year for a year of assessment derived from sources outside Malaysia and received in Malaysia are exempted from Malaysia tax.

However, effective from 01/01/2022, only the income arising from sources outside Malaysia and received in Malaysia by any person who is not resident in Malaysia are exempted from Malaysia tax.

Malaysia government has agreed to exempt taxation on foreign source income for resident taxpayer to ensure smooth implementation of the tax initiative. The tax exemption is effective from 01/01/2022 to 31/12/2026 for the following income :

- a. Income tax exemption on dividends will be given to companies or limited liability partnership while individuals will be tax exempted for all types of income;
- b. For individual taxpayers, the Malaysia government will give exemption to all individuals except those in a business partnership in Malaysia, whereby they are subject to foreign source income taxation.

2. Corporate Tax

		YA 2023
Resident company with paid up capital of RM2.5million and below at the beginning of the basis period and having gross income from sources consisting of a business of not more than RM50 million for the basis period for a Y/A	- On first RM150,000 chargeable income	15%
	- On the subsequent chargeable income of RM450,000	17%
	- On chargeable income exceeding RM600,000	24%
Resident company with paid up capital above RM2.5 million at the beginning of the basis period or having gross income from source or sources consisting of a business of more than RM50 million for the basis period for a Y/A		24%
Non-resident company / branch		24%

2. Corporate Tax (cont.)

SME is defined as a company resident in Malaysia with paid up capital of ordinary shares of RM2.5m or less at the beginning of the basis period of a year of assessment whereby such company does not control or is controlled directly or indirectly by another company which has a paid up capital of more than RM2.5m in respect of ordinary shares. In addition to, it having gross income from business from one or more sources for the relevant YA of not more than RM50 million. In addition, less than 20% of the paid up capital in respect of ordinary shares of the resident company is directly or indirectly owned by "foreign shareholders" at the beginning of the basis period.

3. Withholding tax rate (Non-treaty) YA 2024

	Non- resident person including a company, a body of persons and corporation
Dividends	Nil
Interest	15%
Royalties / Know-how	10%
Public Entertainer	15%
Rents (formovable property)	10%
Technical Fees	10%
Section 4 (f) income (see note 1)	10%
Contract payment (see note 2)	10% + 3%

Note 1: Section 4(f) income refers to gains and profits not specifically provided for under section 4 of the Income Tax Act 1967. Such income includes commissions and guarantee fees. However, such income will not be liable to withholding tax if it relates to the business income of the non-resident in his home country.

Note 2: This is an interim tax, the differences between the actual tax payable and the 10% tax shall be refunded to the non-resident contractor or recovered from the non-resident contractor. The 3% tax would only be refunded to the non-resident contractor when the Director General deems it is appropriate.

4. Resident individual tax rates (YA 2024)

Chargeable income RM	Tax Rate (%)	Tax Payable (RM)
1 – 2,500	0	0
2,501 – 5,000	0	0
5,001 – 10,000	1	50
10,001 – 20,000	1	150
20,001 – 35,000	3	600
35,001 – 50,000	6	1,500
50,001 – 70,000	11	3,700
70,001 – 100,000	19	9,400
100,001 – 250,000	25	46,900
250,001 – 400,000	25	84,400
400,001 – 600,000	26	136,400
600,001 – 1,000,000	28	248,400
1,000,001 – 2,000,000	28	528,400
> 2,000,000	30	

5. Non-resident individual tax rate

30%

6. Estate duty	Had been abolished since 1 November 1991.																																
7. Stamp duty	<p>For stock, shares or marketable securities: RM3 per RM1,000 or part thereof.</p> <p>For conveyance, assignment or transfer of properties (effective 01 January 2019):</p> <table data-bbox="422 526 837 672"> <tr> <td>On the first RM100,000</td> <td>1%</td> </tr> <tr> <td>On the next RM400,000</td> <td>2%</td> </tr> <tr> <td>RM500,001 to RM1,000,000</td> <td>3%</td> </tr> <tr> <td>In excess of RM1,000,001</td> <td>4%</td> </tr> </table>	On the first RM100,000	1%	On the next RM400,000	2%	RM500,001 to RM1,000,000	3%	In excess of RM1,000,001	4%																								
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8. Real Property Gains Tax (RPGT)	<table border="1" data-bbox="422 766 1460 1417"> <thead> <tr> <th></th> <th>Rates of RPGT (w.e.f 01.01.2022)</th> <th>Rates of RPGT (w.e.f 01.01.2022)</th> </tr> <tr> <th></th> <th>(Company incorporated in Malaysia / A Trustee of a Trust)</th> <th>(Citizen / Permanent Resident) [*]</th> </tr> <tr> <th>Date of Disposal</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Disposal within 2 years after date of acquisition</td> <td>30</td> <td>30</td> </tr> <tr> <td>Disposal in the 3rd year after date of acquisition</td> <td>30</td> <td>30</td> </tr> <tr> <td>Disposal in the 4th year after date of acquisition</td> <td>20</td> <td>20</td> </tr> <tr> <td>Disposal in the 5th year after date of acquisition</td> <td>15</td> <td>15</td> </tr> <tr> <td>Disposal in the 6th year after date of acquisition or thereafter</td> <td>10</td> <td>NIL</td> </tr> </tbody> </table> <p>Non-Citizen / Non-Permanent Resident/ Company Not Incorporated in Malaysia.</p> <table border="1" data-bbox="422 1594 1460 1751"> <thead> <tr> <th></th> <th>Rates of RPGT (w.e.f 01.01.2019)</th> </tr> <tr> <th>Date of Disposal</th> <th></th> </tr> </thead> <tbody> <tr> <td>Disposal within 5 years from the date of acquisition</td> <td>30</td> </tr> <tr> <td>Disposal after 5 years from the date of acquisition</td> <td>10</td> </tr> </tbody> </table>		Rates of RPGT (w.e.f 01.01.2022)	Rates of RPGT (w.e.f 01.01.2022)		(Company incorporated in Malaysia / A Trustee of a Trust)	(Citizen / Permanent Resident) [*]	Date of Disposal			Disposal within 2 years after date of acquisition	30	30	Disposal in the 3rd year after date of acquisition	30	30	Disposal in the 4th year after date of acquisition	20	20	Disposal in the 5th year after date of acquisition	15	15	Disposal in the 6th year after date of acquisition or thereafter	10	NIL		Rates of RPGT (w.e.f 01.01.2019)	Date of Disposal		Disposal within 5 years from the date of acquisition	30	Disposal after 5 years from the date of acquisition	10
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9. Introduction of Capital Gains Tax For Disposal of Unlisted Shares By Companies	<p>Malaysia government introduced a capital gains tax for the disposal of unlisted shares by companies; limited liability partnership (LLP); trust body (i.e. unit trust); co-operative society effective from 01 January 2024. The applicable tax rate are as follows:</p>																																

9. Introduction of Capital Gains Tax For Disposal of Unlisted Shares By Companies (cont.)

Period of Disposal	Tax Rates
a. Capital assets (situated in Malaysia) acquired before 01 January 2024	- 10% on the chargeable income; or - 2% on the gross disposal price.
b. Capital assets (situated in Malaysia) acquired on or after 01 January 2024	10% of the chargeable income from the disposal of the capital asset
c. Disposal of capital assets other than a disposal under (a) and (b) above	At the applicable rate to the company, LLP, trust body or co-operative society as specified under the ITA on the chargeable income from the disposal of the capital asset

The Finance Act indicates that CGT will apply from 01 January 2024. However, the Exemption Order provides that a Company, LLP, trust body or co-operative society is given an income tax exemption in respect of any gains or profit received from the disposal of shares of a company incorporated in Malaysia not listed on the stock exchange. This exemption applies to such disposals from 01 January 2024 to 29 February 2024. Hence, CGT will only be payable on disposal of unlisted shares in Malaysia-incorporated from 01 March 2024.

10. Global Minimum Tax

Malaysia will adopt the OECD Global Anti-Base Erosion (GloBE) Model Rules under Pillar Two and implement a Domestic Top-Up Tax (DTT) effective from 01 January 2025. The GloBE Rules impose top-up tax on a parent entity in respect of the low-taxed income of a constituent entity (CE) up to a minimum rate of 15%.

11. Income tax filing deadlines

Types of Form		Deadlines
Form BE	Residential individual	30 April of following year
Form B		30 June of following year
Form M	Non-residential individual	30 April of following year
Form C	Companies	7 months from date of closing accounts
Form P	Partnerships	30 June of following year
Form PT	Limited Liability Partnership (LLP)	7 months from date of closing accounts
Form TP	Deceased person	30 April of following year (does not carry on business) 30 June of following year (carry on business)
Form TF	Club/Associations/Co-Operative Societies	30 April of following year (does not carry on business) 30 June of following year (carry on business)
Form TA	Trust body	7 months from date of closing accounts
Form TJ	Hindu Joint Family	30 April of following year (does not carry on business) 30 June of following year (carry on business)
Form TR	Real Estate Investment Trust / Property Trust Fund	7 months from date of closing accounts
Form E	Employer Return	31 March of following year

12. Double Tax Agreements

Country	Royalties %	Interest (%)	Technical Fee %	Section 4(f) Income %
Albania, Republic	10	Nil or 10	10	10
Argentina *	10	15	10	10
Australia	10	Nil or 15	Nil++	10
Austria	10	Nil or 15	10	10
Bahrain	8	Nil or 5	10	10
Bangladesh	Nil or 10	Nil or 15	10	10
Belgium #	10	Nil or 10	10	10
Bosnia & Herzegovina	8	Nil or 10	10	10
Brunei	10	Nil or 10	10	10
Cambodia **	10	Nil or 10	10	10
Canada	Nil or 10	Nil or 15	10	10
Chile	10	Nil or 15	5	10
China, People's Republic	Nil or 10	Nil or 10	10	10
Croatia	10	Nil or 10	10	10
Czech Republic	Nil or 10	Nil or 12	10	10
Denmark	Nil or 10	Nil or 15	10	10
Egypt	10	Nil or 15	10	10
Fiji	10	Nil or 15	10	10
Finland	Nil or 10	Nil or 15	10	10
France	Nil or 10	Nil or 15	10	10
Germany - Old agreement	Nil or 10	Nil or 15	Nil	Nil
- New agreement	7	Nil or 10	7	Nil
Hong Kong S.A.R	8	Nil or 10	5	10
Hungary	10	Nil or 15	10	10
India	10	Nil or 10	10	10
Indonesia #	Nil or 10	Nil or 10	10	10
Ireland	8	Nil or 10	10	10
Islamic Republic of Iran	10	Nil or 15	10	10
Italy	Nil or 10	Nil or 15	10	10
Japan	10	Nil or 10	10	10
Jordan	10	Nil or 15	10	Nil
Kazakhstan	10	Nil or 10	10	10
Korea, Republic	Nil or 10	Nil or 15	10	10
Kuwait #	10	Nil or 10	10	10
Kyrgyz, Republic	10	Nil or 10	10	10
Laos	10	Nil or 10	10	10
Lebanon	8	Nil or 10	10	10
Luxembourg	8	Nil or 10	8	10
Malta	10	Nil or 15	10	10
Mauritius	10	Nil or 15	10	10
Mongolia	10	Nil or 10	10	10
Morocco	10	Nil or 10	10	10
Myanmar	10	Nil or 10	10	10

**11.
Double Tax
Agreements
(cont.)**

Country	Royalties %	Interest (%)	Technical Fee %	Section 4(f) Income %
Namibia	5	Nil or 10	5	10
Netherlands	Nil or 8	Nil or 10	8	10
New Zealand	Nil or 10	Nil or 15	10	10
Norway	Nil or 10	Nil or 15	10	10
Pakistan	Nil or 10	Nil or 15	10	10
Papua New Guinea	10	Nil or 15	10	10
Philippines	Nil or 10	Nil or 15	10	10
Poland - Old agreement	Nil or 10	Nil or 15	10	10
- New agreement **	8	Nil or 10	8	10
Qatar	8	Nil or 5	8	10
Romania	Nil or 10	Nil or 15	10	10
Russia	Nil or 10	Nil or 15	10	10
San Marino	10	Nil or 10	10	10
Saudi Arabia - Old agreement *	10	15	10	-
- New agreement	8	Nil or 5	8	10
Senegal **	10	Nil or 10	10	10
Seychelles #	10	Nil or 10	10	10
Singapore - Old agreement	10	Nil or 15	10	-
- New agreement	8	Nil or 10	5	10
Slovak Republic	10	Nil or 10	5	10
South Africa	5	Nil or 10	5	10
Spain	7	Nil or 10	5	10
Sri Lanka	10	Nil or 10	10	10
Sudan	10	Nil or 10	10	10
Sweden - Old agreement	Nil or 10	Nil or 15	10	-
- New agreement	8	Nil or 10	8	10
Switzerland	Nil or 10	Nil or 10	10	10
Syria	10	Nil or 10	10	10
Taiwan (2)	10	10	7.5	10
Thailand	Nil or 10	Nil or 15	10	10
	5 (JDA)		5 (JDA)	
Turkey#	10	Nil or 15	10	10
Turkmenistan	10	Nil or 10	Nil++	Nil
Ukraine **	8	Nil or 10	8	
United Arab Emirates	10	Nil or 5	10	10
United Kingdom	8	Nil or 10	8	10
United States of America*	10	15	10	10
Uzbekistan	10	Nil or 10	10	10
Venezuela	10	Nil or 15	10	10
Vietnam	10	Nil or 10	10	10
Zimbabwe	10	Nil or 10	10	10

12. Double Tax Agreements (cont.)

1. Approved industrial royalties and interest on approved loans (as defined in each double tax agreement) to non-residents are usually tax exempt.

2. For Taiwan, double tax relief was given to the Taipei Economic and Cultural Office in Malaysia by way of exemption orders.

* Limited double tax treaty.

** The new Malaysia-Poland DTA, which was signed on 08 July 2013, has entered into force from 12 January 2023. The provisions of Articles 25 and 26 of the DTA (Mutual Agreement Procedures and Exchange of Information) will come into effect from the date of entry into force, i.e. 12 January 2023. Other articles of the DTA will come into effect from 01 January 2024. This DTA will replace the old DTA signed on 16 September 1977.

Protocol has been gazetted but not entered into force.

JDA : Joint Development Area

++ Based on the Practice Note No 2/2017 issued by the Inland Revenue Board on 23 June 2017, where an Australian or a Turkmenistan resident renders technical services in Malaysia, payments for such services are not subject to withholding tax if the non-resident has no permanent establishment in Malaysia.

Updated
March 2024

GEP ASSOCIATES
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This publication has been prepared for the purpose of quick information dissemination to our counterparts in other Countries. Its contents should not be used as a basis for advice or formulating decisions under any circumstances.

NEW ZEALAND

2024 TAX CARD (IN NZ DOLLARS)

1. Basis of Taxation

The taxation authority in NZ is the Inland Revenue Department (IRD) and the primary income tax legislation is contained within the Income Tax Act 2007 (ITA07).

NZ uses a worldwide taxation model. The first step therefore is to determine the tax residency status of the particular taxpayer, using the residency tests set out in the ITA07.

A NZ tax resident is subject to taxation on their worldwide income, whereas a non-resident is only subject to NZ taxation with respect to any income that is deemed to have a NZ source.

The provisions of a DTA between NZ and the non-residents home State, may override NZ's domestic taxing rules.

NZ has an income tax year that ends on 31st March, although provision is made within the ITA07, for taxpayers to apply for a non-standard balance date e.g. a NZ subsidiary wishes to align with the balance date of its foreign parent.

NZ in essence has a voluntarily compliance taxation regime, which relies heavily on the taxpayer fully disclosing their income derived from all sources during a particular income year, and only claiming the correct level of allowable deductions in respect of that income derived. To encourage voluntary compliance, IRD has available to it a series of penalties, which can be quite onerous on occasions, which it can impose upon any taxpayer who is found to have not been fully compliant with their NZ taxation obligations. These range from shortfall penalties for inadequate disclosure of income, late payment penalties, late filing penalties for various tax returns and a use of money interest regime, to compensate the IRD for a taxpayer not paying the correct amount of tax on time.

For those NZ resident natural person taxpayers who solely derive employment income which has been subject to "pay as you earn" (PAYE) deductions by their employer, there is no requirement to file an annual income tax return, the individuals annual tax liability on their income having been satisfied by the PAYE payments their employer has made to IRD on their behalf.

With respect to other natural person taxpayers, recent upgrades to IRD's system, has seen a marked increase in the level of reportable income details provided by payers of interest, dividends, royalties and the like, to IRD on a payday basis throughout the income year. The consequence of this increase in reportable income, will see a reduction in the number of natural person taxpayers having to file an end of year income tax return, essentially only required where the taxpayer needs to fill in the gap between reportable and non-reportable income, once the IRD has issued a pre-populated account to the taxpayer post the end of the income year.

<p>1. Basis of Taxation (cont.)</p>	<p>The quantum of the taxpayers annual tax liability (prior to the deduction of any tax payments made during the relevant income year), then determines whether the taxpayer becomes a provisional taxpayer for the following income year.</p> <p>Where the quantum of the annual tax liability exceeds \$5,000, the taxpayer enters the provisional tax payment regime for the following income year. For a standard balance date taxpayer (31st March), this will require instalment payments of their expected annual income tax liability for the coming tax year to be paid on 28th August, 15th January and 7th May.</p> <p>As an example, in its simplest form ignoring uplift requirements and other technical aspects, in the March 2023 income year, the taxpayer’s annual tax liability assessment is \$9,000. As this exceeds \$5,000, they become a provisional taxpayer in respect of the March 2024 income year, and should make payments of \$3,000 in August 2023, January 2024 and May 2024.</p> <p>For non-provisional taxpayers, or those provisional taxpayers who still have a shortfall to make up once all their payments have been taken into account, an amount referred to as terminal tax is due for payment on 7th February following the end of the relevant income year, extended to 7th April if the taxpayer uses an IRD registered tax agent. So in the previous example, the \$9,000 of terminal tax payable in respect of the March 2023 income year would be due for payment to IRD by 7th February 2024/7th April 2024.</p>																								
<p>2. Corporate Tax</p>	<p>The NZ corporate tax rate is a flat 28%.</p>																								
<p>3. Withholding tax rate (non-treaty)</p>	<p>Where “Standard” is listed, the marginal tax rate of the recipient will apply. Where “*” follows, indicates concessional rates to standard listed may apply. Where “**” follows, assumes person is not in NZ providing the services, otherwise a 15% non-resident contractors withholding tax may apply.</p> <table border="1" data-bbox="416 1641 1457 2018"> <thead> <tr> <th></th> <th>Resident</th> <th>Non-resident Individual/ Corporation</th> </tr> </thead> <tbody> <tr> <td>Dividends</td> <td>33%*</td> <td>30%*</td> </tr> <tr> <td>Interest</td> <td>Standard</td> <td>15%*</td> </tr> <tr> <td>Royalties/know-how</td> <td>0%</td> <td>15%</td> </tr> <tr> <td>Rents (for moveable property)</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Management fees</td> <td>0%</td> <td>0%**</td> </tr> <tr> <td>Technical fees</td> <td>0%</td> <td>0%**</td> </tr> <tr> <td>Directors’ fees</td> <td>33%</td> <td>0%**</td> </tr> </tbody> </table>		Resident	Non-resident Individual/ Corporation	Dividends	33%*	30%*	Interest	Standard	15%*	Royalties/know-how	0%	15%	Rents (for moveable property)	0%	0%	Management fees	0%	0%**	Technical fees	0%	0%**	Directors’ fees	33%	0%**
	Resident	Non-resident Individual/ Corporation																							
Dividends	33%*	30%*																							
Interest	Standard	15%*																							
Royalties/know-how	0%	15%																							
Rents (for moveable property)	0%	0%																							
Management fees	0%	0%**																							
Technical fees	0%	0%**																							
Directors’ fees	33%	0%**																							

4. Test Or Basis Of Tax Residence

Corporate residence

A company is considered tax resident in NZ, if any of the following four tests are satisfied:

- a) is incorporated in NZ;
- b) has its head office in NZ;
- c) has its centre of management in NZ, or;
- d) control of the company by the directors, acting in the capacity of directors, is exercised in NZ, whether or not decision-making is confined to NZ.

Individual residence

An individual is considered tax resident in NZ if either of the following two tests are satisfied:

- a) an individual is deemed to be a resident if he or she has a permanent place of abode (PPOA) in NZ (irrespective of any other PPOA that person may have elsewhere).
- b) subject to the first provision above, an individual who is personally present in NZ for one or more periods exceeding 183 days in the aggregate in any 12-month period is deemed to be resident from the first day in the 12-month period on which personal presence began.

Once a person is deemed a NZ tax resident, they retain that status until they satisfy the 325 day absence test as follows:

- c) a resident individual who becomes personally absent from NZ for one or more periods exceeding 325 days in the aggregate in any 12-month period is deemed not to be a resident from the first day in the 12-month period on which the personal absence began.

It is very important to note however, that the PPOA test is an overriding test and takes precedence over either of the presence tests. Consequently, where the 325 day absence test has been satisfied, if the person still has a NZ PPOA, they will remain a NZ tax resident until the day the PPOA ceases to exist.

5. Resident individual tax rates

Effective 1st April 2021, NZ has a five tier scale with respect to personal income tax rates as follows:

Income Brackets	Tax Rates
\$0-\$14,000	10.5%
\$14,001-\$48,000	17.5%
\$48,001-\$70,000	30%
\$70,001-\$180,000	33%
\$180,001 and above	39%

NZ also has a transitional tax resident's regime, which is essentially a four year window of exemption for any foreign sourced income (excluding foreign employment and personal services income). It can apply for any individual who has never been a NZ tax resident previously or has not held that status for at least 10 years. The TTR exemption can only be claimed once, and the four year period commences the first day the person meets the tax residence tests.

<p>6. Non-resident individual tax rates</p>	<p>A non-resident who is required to file a NZ income tax return in respect of NZ sourced income, is subject to NZ taxation at the same rates as for a tax resident, although some types of income already subject to tax at source under the non-resident withholding tax rates set out in 3., may be considered a final tax, and will not be subject to any further taxation at the resident tax rates.</p>
<p>7. Trusts</p>	<p>NZ has a taxation regime with respect to trusts, the use of which is very popular in NZ.</p> <p>Where the trust has had a NZ resident settlor at any time, the worldwide income of the trustees is subject to NZ taxation. Where however a trust has had no resident settlor, then only NZ sourced income of the trustees will be subject to NZ taxation.</p> <p>NZ also has a foreign trust disclosure regime. Where a foreign trust (defined as one which has never had a NZ resident settlor) has a NZ trustee, the trustee has an obligation to register the foreign trust with the Inland Revenue, and to file an annual disclosure return.</p> <p>Each income year, the trustees can decide to retain the income derived by the trustees as trustee income, or the income can be allocated to beneficiaries, where usually the income will then be subject to taxation at the beneficiaries marginal tax rate. Effective from April 1st 2024, trustee income is taxed at a flat rate of 39%, unless the taxable income of the trustee is \$10,000 or less, where a 33% tax rate will apply.</p>
<p>8. Goods and Services Tax</p>	<p>The NZ GST legislation is contained in the Goods & Services Tax Act 1985.</p> <p>The NZ GST rate is presently 15%.</p> <p>GST registration is compulsory where annual supplies (sales) of goods and services in NZ, exceeds \$60,000. Voluntary registration may also be permitted where the \$60,000 threshold is not exceeded. Where a non-resident supplier is making a B2B supply to a NZ customer, the supply is usually deemed to be made outside of NZ unless the parties agree otherwise.</p> <p>Certain supplies of goods and services are referred to as being zero-rated, with GST charged at a 0% rate. Common examples are where the recipient of the supply is outside NZ, so that the cost of NZ GST does not impact on the recipients buying decision, thereby making NZ suppliers goods or services competitive with other foreign suppliers of similar goods or services. Having a zero-rated supply status, still permits the NZ supplier to recover any NZ GST costs incurred in making the supply.</p> <p>There are also exempt supplies, those supplies of goods and services considered to be outside of the GST regime. Common examples are the supply of financial services or residential rental properties. NZ GST costs incurred in making these supplies cannot be recovered by the supplier.</p> <p>The NZ GST regime also accommodates non-resident businesses, who may for whatever reason incur NZ GST costs (coming to NZ for a conference for example) but do not make any NZ supplies of goods or services. Special rules permit a special GST registration to proceed, in order for the non-resident to be able to recover these NZ GST costs.</p>

<p>8. Goods And Services Tax (cont.)</p>	<p>Most recently, NZ has introduced two new regimes targeted towards non-resident suppliers. Effective 1st October 2016, a remote services regime, predominantly targeting non-resident providers of remote services – Amazon, iTunes and the like, was introduced. Where the annual value of B2C remote service supplies (assuming these are the only supplies the non-resident presently makes to NZ customers) exceeds \$60,000, these non-resident suppliers now have an obligation to register for NZ GST and account for GST on their NZ B2C supplies.</p> <p>Following on from the introduction of the remote services regime, NZ also introduced a GST on low value (\leq\$1000) imported goods with effect from 1st December 2019. This new regime requires non-resident suppliers of low value imported goods to NZ consumers (B2C) to register for NZ GST, where the total annual value of their supplies to NZ consumers exceed \$60,000 (again assuming these are the only supplies the non-resident presently makes to NZ customers).</p> <p>Where a non-resident supplier is involved in supplying a combination of standard taxable supplies, supplies of remote services and/or supplies of low value imported goods to NZ customers, then it is the total value of all relevant supplies (usually excluding any B2B supplies) that needs to be taken into account when considering the \$60,000 compulsory registration threshold.</p>
<p>9. Estate duty</p>	<p>NZ has no estate duty presently.</p>
<p>10. Stamp duty</p>	<p>NZ has no stamp duty presently.</p>
<p>11. Property tax</p>	<p>NZ does not presently have a specific capital gains tax regime that taxes property disposal gains. However, certain provisions within the ITA07 do tax a number of land disposal gains, that would otherwise qualify as a tax-free capital gain.</p> <p>Effective 1st October 2015, NZ introduced a bright-line test, which automatically subjects the gain made on a disposal of any residential land (excluding the taxpayers family home) to tax, if the ownership period is less than two years. Effective from 29th March 2018 in relation to residential land acquired post that date, the bright-line period was increased to 5 years, and then effective from 27th March 2021, the bright-line period has increased to 10 years (with the exception of “new build” land which retains a 5 year bright-line period).</p> <p>Effective from 1st July 2024, the brightline period will reduce back down to 2 years, with application to any contract to dispose of residential land entered into post that date.</p> <p>It is important to note, that non-resident buyers and sellers of residential land must now provide a NZ IRD number to their land conveyancer, before the land transfer is permitted to be registered. The fishhook here is new requirements by IRD that IRD number applications cannot be approved, without the applicant providing details of an active NZ bank account. This issue is further complicated by the NZ banks imposing more stringent requirements due to AML/CFT legislation, that often require a new customer to physically present themselves to the bank, before a new account can be opened.</p> <p>Where the bright-line test is considered to have application, and the vendor is defined as being an “overseas person”, a residential land withholding tax (RLWT) will be deducted by their conveyancer. The RLWT rate varies depending on whether the vendor is an individual or company.</p>

12. Income tax filing deadlines

The filing date is dependent on whether the taxpayer is subject to an extension of time (EOT) arrangement due to being registered with an IRD approved tax agent. The first date listed below is the standard due date, with the second applying to those with an EOT status.

Types of Form		Deadlines
IR3	Residential individual	7th July/31st March
IR3NR	Non-residential individual	7th July/31st March
IR4	Companies	7th July/31st March
IR7	Partnerships	7th July/31st March

13. Double tax agreements

Certain payments by residents in NZ to non-residents are subject to domestic withholding tax rates. The rates of taxes may be reduced under the terms of a double tax agreements with a treaty country as those listed below.

Country	Dividend %	Interest (%)	Royalties %
Australia	0%, 5% or 15%	10%	5%
Austria	15%	10%	10%
Belgium	15%	10%	10%
Canada	0%, 5% or 15%	10%	5% or 10%
Chile	15%	10% or 15%	5%
China	5% or 15%	10%	10%
Czech Republic	15%	10%	10%
Denmark	15%	10%	10%
Fiji	15%	10% or 15%	15%
Finland	15%	10%	10%
France	15%	10%	10%
Germany	15%	10%	10%
Hong Kong	0%, 5% or 15%	10%	5%
India	15%	10%	10%
Indonesia	15%	10%	15%
Ireland	15%	10%	10%
Italy	15%	10%	10%
Japan	0% or 15%	10%	5%
Korea, South	15%	10%	10%
Malaysia	15%	15%	15%
Mexico	5%	10%	10%
Netherlands	15%	10%	10%
Norway	15%	10%	10%
Papua New Guinea	15%	10%	10%
Philippines	15%	10%	15%
Poland	15%	10%	10%
Russia	15%	10%	10%
Samoa	5% or 15%	10%	10%
Singapore	5% or 15%	10%	5%
South Africa	15%	10%	10%

**13.
 Double tax
 agreements
 (cont.)**

Country	Dividend %	Interest (%)	Royalties %
Spain	15%	10%	10%
Sweden	15%	10%	10%
Switzerland	15%	10%	10%
Taiwan	15%	10%	10%
Thailand	15%	10% or 15%	10% or 15%
Turkey	5% or 15%	10% or 15%	10%
United Arab Emirates	15%	10%	10%
United Kingdom	15%	10%	10%
United States of America	0%, 5% or 15%	10%	5%
Vietnam	5% or 15%	10%	10%

Updated
 March 2024

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 gilligan sheppard

PAKISTAN

2024 TAX CARD (IN PAKISTANI RUPEE)

1. Basis of Taxation

Residents are taxed on worldwide income/receipts from all sources, except specifically exempted under the Income Tax Ordinance, 2001. Non-residents are taxed on income/receipts from Pakistani source.

2. Corporate Tax

The following tax rates are applicable on Corporate Sector in Pakistan for the Tax Year 2024:

Entity	Rate
Banking Company*	39%
Other Company*	29%
Small Company	20%

*The rate of tax may increase in case super tax is applicable on the company as described in point No. 12 of this document.

A Small Company means a company having:

- Paid up Capital + Undistributed Reserves not exceeding Rs. 50 Million;
- Employees not exceeding 250;
- Annual turnover not exceeding Rs. 250 (Million);
- Not formed by reconstitution or splitting up of already existing company;
- Not a Small & Medium Enterprise as per Section 2(59A) of the Income Tax Ordinance, 2001.

3. Withholding tax rate (non-treaty)

Pakistan tax authority i.e. Federal Board of Revenue, in order to increase tax return filers in the country, has continued the concept of Filer & Non-Filer persons and their taxability in the Income Tax Ordinance, 2001 (which it introduced in Tax Year 2015). Non-filers will suffer from enhanced tax rates (Double). The below rates are for filers:

Nature of Payment	Resident Individual/ Corporation	Non-resident Individual/ Corporation (Subject to DTT)
Dividends	7.5% - 25%	5% - 20%
Interest	15%	10-20%
Royalties/Know-how	15%	7.5%-20%
Management fees	9%-11%	8%-20%
Technical fees	9%-11%	10%-15%
Directors' fees (Individual)	Treated as Salary	Treated as Salary

<p>4. Tax rates for rent of immovable property</p>	<p>a.) Individual and AOP's:</p> <table border="1" data-bbox="424 293 1458 589"> <thead> <tr> <th rowspan="2">S. No.</th> <th colspan="2">Taxable Income</th> <th colspan="2">Rate of Tax</th> </tr> <tr> <th>Above (Rs.)</th> <th>Upto (Rs.)</th> <th>Rate (Rs.)</th> <th>of the amount exceeding..... (Rs.)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>0</td> <td>300,000</td> <td>0%</td> <td>0</td> </tr> <tr> <td>2.</td> <td>300,001</td> <td>600,000</td> <td>5%</td> <td>300,000</td> </tr> <tr> <td>3.</td> <td>600,001</td> <td>2,000,000</td> <td>15,000 + 10%</td> <td>600,000</td> </tr> <tr> <td>4.</td> <td>2,000,001</td> <td>Above</td> <td>155,000 + 25%</td> <td>2,000,000</td> </tr> </tbody> </table> <p>b.) Companies:</p> <p>The rate for company is 15%.</p>	S. No.	Taxable Income		Rate of Tax		Above (Rs.)	Upto (Rs.)	Rate (Rs.)	of the amount exceeding..... (Rs.)	1.	0	300,000	0%	0	2.	300,001	600,000	5%	300,000	3.	600,001	2,000,000	15,000 + 10%	600,000	4.	2,000,001	Above	155,000 + 25%	2,000,000
S. No.	Taxable Income		Rate of Tax																											
	Above (Rs.)	Upto (Rs.)	Rate (Rs.)	of the amount exceeding..... (Rs.)																										
1.	0	300,000	0%	0																										
2.	300,001	600,000	5%	300,000																										
3.	600,001	2,000,000	15,000 + 10%	600,000																										
4.	2,000,001	Above	155,000 + 25%	2,000,000																										
<p>5. Non-residential individual tax rates</p>	<p>Pakistan Source Income of Non-residents is taxed as per above specified slabs or the rates given based on source of income.</p>																													
<p>6. Goods And Services Tax</p>	<p>GST on goods is applicable @ 18% under Federal Sales Tax Law.</p> <p>GST on specific luxury items has been increased to 25% as per SRO 297(I)/2023.</p> <p>Tax on Services within provinces is imposed ranging from 5% to 16%.</p>																													
<p>7. Estate duty</p>	<p>Estate duty is not applicable in Pakistan.</p>																													
<p>8. Stamp duty</p>	<p>Stamp duty in Pakistan varies in accordance with nature of instrument and location with maximum up to 4.5%.</p>																													
<p>9. Property tax</p>	<p>Varying slabs in accordance with the size and location of the property.</p>																													
<p>10. Tax on deemed income</p>	<p>The rate of tax under section 7E shall be 1% of Fair Market Value of property exceeding Rs. 25 Million in aggregate (subject to exceptions).</p>																													

The rate of tax shall be applicable on the following categories of taxpayer:

a) Tax on Individuals Income having salary exceeds 75% of his taxable income :

S. No.	Taxable Income		Rate of Tax	
	Above (Rs.)	Upto (Rs.)	Rate (Rs.)	of the amount exceeding..... (Rs.)
1.	0	600,000	0%	0
2.	600,001	1,200,000	2.5%	600,000
3.	1,200,001	2,400,000	15,000 + 12.5%	1,200,000
4.	2,400,001	3,600,000	165,000 + 22.5%	2,400,000
5.	3,600,001	6,000,000	435,000 + 27.5%	3,600,000
6.	6,000,001	Above	1,095,000 + 35%	6,000,000

b.) Tax on Individuals and AOP concerns (Business):

S. No.	Taxable Income		Rate of Tax	
	Above (Rs.)	Upto (Rs.)	Rate (Rs.)	of the amount exceeding..... (Rs.)
1.	0	600,000	0%	0%
2.	600,001	800,000	7.5%	600,000
3.	800,001	1,200,000	15,000 + 15%	800,000
4.	1,200,001	2,400,000	75,000 + 20%	1,200,000
5.	2,400,001	3,000,000	315,000 + 25%	2,400,000
6.	3,000,001	4,000,000	465,000 + 30%	3,000,000
7.	4,000,001	Above	765,000 + 35%	4,000,000

11. Residential individual tax rates

12. Rates of Super tax on high earning persons (section 4c)

S. No.	Taxable Income		Rate of Tax
	Above (Rs.)	Upto (Rs.)	
1.	0	150,000,000	0%
2.	150,000,001	200,000,000	1% of the income
3.	200,000,001	250,000,000	2% of the income
4.	250,000,001	300,000,000	3% of the income
5.	300,000,001	350,000,000	4% of the income
6.	350,000,001	400,000,000	6% of the income
7.	400,000,001	500,000,000	8% of the income
8.	500,000,001	Above	10% of the income

Note: the rate of super tax for certain specified sectors would has been prescribed to be 10% where the income exceeds Rs. 300 million.

13. Capital value tax (CVT)	<table border="1"> <thead> <tr> <th>S. No.</th> <th>Assets / Description</th> <th>Rate of Tax</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Motor vehicle as defined under the law.</td> <td>1% of the value</td> </tr> <tr> <td>2.</td> <td>Foreign assets as defined under the law.</td> <td>1% of the value</td> </tr> <tr> <td>3.</td> <td>Other assets as prescribed by the Federal Board of Revenue</td> <td>As specified by Federal Government, not exceeding 5% of the value.</td> </tr> </tbody> </table>	S. No.	Assets / Description	Rate of Tax	1.	Motor vehicle as defined under the law.	1% of the value	2.	Foreign assets as defined under the law.	1% of the value	3.	Other assets as prescribed by the Federal Board of Revenue	As specified by Federal Government, not exceeding 5% of the value.																																																																
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**15.
 Double Tax
 Agreements
 (cont.)**

Country	Dividend (%)	Interest (%)	Royalties (%)
Indonesia	10 / 15	15	15
Iran	5	10	10
Ireland	5 / 10	10	10
Italy	15 / 25	30	30
Japan	5 / 7.5 / 10	10	10
Jordan	10	10	10
Kazakhstan	12.5 / 15	12.5	15
Korea (R.O.K)	10 / 12.5	12.5	10
Kuwait	10	10	10
Kyrgyz Republic	10	10	10
Lebanon	10	10	7.5
Libya	0	0	0
Malaysia	15 / 20	15	15
Malta	15	10	10
Mauritius	10	10	12.5
Morocco	10	10	10
Nepal	10 / 15	10 / 15	15
Netherlands	10 / 20	10 / 15 / 20	5 / 15
Nigeria	12.5 / 15	15	15
Norway	15	10	12
Oman	10 / 12.5	10	12.5
Philippines	15 / 25	15	15 / 25
Poland	15	Domestic	15 / 20
Portugal	10 / 15	10	10
Qatar	5 / 10	10	10
Romania	10	10	12.5
Saudi Arabia	5 / 10	10	10
Serbia	10	10	10
Singapore	10 / 12.5 / 15	12.5	10
South Africa	10 / 15	10	10
Spain	5 / 7.5 / 10	10	7.5
Sri Lanka	15	10	20
Sweden	15	15	10
Switzerland	10 / 20	10	10
Syria	10	10	10/15/18
Tajikistan	5 / 10	10	10
Thailand	15 / 25	10 / 25	10 / 20
Tunisia	10	13	10
Turkey	10 / 15	10	10
Turkmenistan	10	10	10
Ukraine	10 / 15	10	10
United Arab Emirates	10 / 15	10	12
United Kingdom	10 / 15 / 20	15	12.5
United States	Domestic	Domestic	0
Uzbekistan	10	10	15
Vietnam	15	15	15
Yemen	10	10	10



Updated
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The information published here is for consultation purposes only. Before taking any action, a contact must be made with a professional.

SINGAPORE

2024 TAX CARD (IN SINGAPORE DOLLARS)

1. Basis of Taxation

Income is taxed on territorial basis, in other words, tax is chargeable on income accrued in or derived from Singapore or received from outside Singapore. Income is assessable to tax on a preceding year basis. For example, income for 2023 is taxable in the year of assessment ("YA") 2024. Foreign sourced income is exempt in the hands of individuals. Certain foreign-sourced income is exempt for resident companies subject to conditions being satisfied.

Section 10L on Taxation of Gains from the Sale of Foreign Assets

Singapore enacted Section 10L legislation to apply from 1 January 2024 relating to gains derived from the disposal or sale of foreign assets by a Singapore entity, which is part of a relevant multinational group. Potentially, an investment holding company of a multinational group set up in Singapore to hold foreign investments that cannot prove its economic substance would be subject to capital gains tax in the YA when such gains are regarded as received in Singapore. The economic substance must be proven in the year when the foreign assets are sold.

2. Corporate Tax

The current corporate tax rate is 17%. A partial exemption on the first S\$200,000 chargeable income that can reduce the effective tax rates ranging from 6.38% to 8.29%. Please note that prior to YA 2020, the partial exemption was on the first \$300,000 chargeable income, with lower effective tax rates ranging from 5.67% to 8.36%. Additional tax rebates were available from YAs 2013 to 2024 as follows.

	Tax Rebate Rate	Tax Rebate Cap
YA 2013 to 2015 (each YA)	30%	S\$30,000
YA 2016	50%	S\$20,000
YA 2017	50%	S\$25,000
YA 2018	40%	S\$15,000
YA 2019	20%	S\$10,000
YA 2020	25%	S\$15,000
YA 2024	50%	S\$40,000 including S\$2,000 Cash Grant where applicable

In Budget 2024, the Minister proposed to implement the Income Inclusion Rule ("IIR") and a Domestic Top-up Tax ("DTT"), which will impose a top-up minimum effective tax rate of 15% on businesses' profits from the financial years beginning on or after 1 January 2025. The IIR and DTT will apply to multinational enterprise ("MNE") group parented or operating in Singapore with annual group revenue of at least Euro750 million in at least two of the four preceding financial years consistent with the Global Anti-Base Erosion ("GloBE") Model Rules.

In addition, the Minister proposed to introduce the Refundable Investment Credit (“RIC”) which will support high-value and substantive economic activities in Singapore. The RIC is awarded for periods up to 10 years, to allow credits of up to 50% of qualifying expenditures incurred on qualifying projects. Such credits are to be offset against corporate income tax payable, with unutilised credits refundable in cash within 4 years from when the the conditions for receiving the credits are satisfied.

Tax incentives such as the Development Expansion Incentive, Global Trader Program, and Financial Sector Incentives provide concessionary tax rates ranging from 5% to 15%.

A new Enterprise Innovation Scheme was introduced in Budget 2023 to allow 400% enhanced tax deduction/allowance on qualifying expenditure incurred on the following five qualifying activities for YA 2024 to YA 2028.

2. Corporate Tax (cont.)

Qualifying Activity	Qualifying Expenditure Cap per YA (S\$)
Staff costs and consumables incurred on qualifying R&D projects conducted in Singapore	400,000
Qualifying IP registration costs	400,000
Acquisition and licensing of IP rights by businesses with less than S\$500m revenue	400,000
Qualifying training expenditure incurred on qualifying courses	400,000
Qualifying innovation projects carried out with qualified institutions and partners	50,000

Further, the taxpayer may opt for a non-taxable cash payout at a cash conversion ratio of 20% on up to S\$100,000 per YA of total qualifying expenditure across all qualifying activities. The cash payout option is capped at S\$20,000 for each YA from YA 2024 to YA 2028 and will only be available to businesses which meet certain conditions in the basis period of the relevant YA.

3. Withholding Tax Rate (non-treaty)

	Resident	Non-resident Individual/ Corporation
Dividends	Nil	Nil
Interest	Nil	15%
Royalties/know-how	Nil	10%
Rents (for moveable property)	Nil	15%
Management fees	Nil	17%
Technical fees	Nil	17%
Directors' fees	Nil	24%*

* The rate was 22% prior to 1 January 2024

<p>4. Basis of Tax Residence</p>	<p>Corporate Residence</p> <p>A company will be considered to be a Singapore tax resident for a particular YA if the control and management of its business was exercised in Singapore in the preceding calendar year.</p> <p>“Control and management” is the making of decisions on strategic matters, such as those on company policy and strategy. The location of the company’s Board of Directors meetings, during which strategic decisions are made, is a key factor in determining where the control and management is exercised. The place of incorporation of a company is not necessarily indicative of the tax residence of a company.</p> <p>Individual Tax Residency</p> <p>An individual would generally be a tax resident of Singapore if the individual is physically present or exercises an employment in Singapore for at least 183 days in a calendar year.</p> <p>Also, under the qualitative test, a Singapore citizen or a Singapore permanent resident with a permanent home in Singapore will ordinarily be regarded as a Singapore tax resident, even if the individual has been physically away from Singapore temporarily, provided the period of absence is reasonable.</p>
<p>5. Resident Individual Tax Rates</p>	<p>Resident individual is subject to the graduated rate of taxes ranging from 0 to 22% from YA 2017 to YA 2023.</p> <p>As announced in Budget 2022, the top marginal resident individual tax rates has increased with effect from the YA 2024.</p> <ul style="list-style-type: none"> • Chargeable income over S\$500,000 up to S\$1 million will be taxed at 23%; • Chargeable income over S\$1 million will be taxed at 24%. <p>A Personal Tax rebate of 50% of tax payable, capped at \$200, will be granted to all resident individuals for YA 2024.</p> <p>Under the Not Ordinarily Resident (“NOR”) Scheme, foreign talents working in Singapore can enjoy a time apportionment basis of taxation, whereby they would be required to pay tax on attributed employment income based on days worked/ spent in Singapore. The NOR Scheme has lapsed after YA 2020, leaving only the last NOR status awarded in YA 2020 to the run-up to its 5th and final YA 2024.</p>
<p>6. Non-resident Individual Tax Rates</p>	<p>Short term visiting employee working in Singapore for not more than 60 days in a calendar year is exempt. The non-resident individual tax rate is at the higher flat rate of 15% or applicable resident personal tax rates.</p>

<p>7. Goods and Services Tax</p>	<p>The Goods and Services Tax (“GST”) rate has been adjusted from 7% (prior to 2023) to 8% (2023), and 9% effective from 1 January 2024.</p> <p>Registering for GST is required when taxable supplies exceed S\$1 million.</p> <p>A reverse charge on importing services into Singapore was introduced on 1 January 2020. From 1 January 2023, GST has been extended to imported low-value goods with a value not exceeding the import relief threshold of S\$400. Importing overseas services and low-value goods by a partially exempt business or not entitled to full input tax credit is generally affected.</p> <p>Overseas vendor registration (“OVR”) is required for suppliers of digital services from January 2020. With effect from 1 January 2023, the scope of OVR has been expanded to tax business-to-consumer (“B2C”) imported services, whether digital or non-digital, if supplied and received remotely. Under the extended regime, such services are known as ‘remote services’.</p> <p>Under the OVR regime, overseas remote service providers with a yearly global turnover of more than S\$1 million that sell more than S\$100,000 worth of remote services to customers in Singapore in 12 months are required to register for GST and charge GST.</p> <p>In addition, the basis for determining whether zero-rating applies to a supply of travel arranging services (i.e. accommodation, transport and related insurance) has been updated from 1 January 2023 to be based on the place where the customer (i.e. the contractual customer) and direct beneficiary of the service belong.</p>
<p>8. Estate duty</p>	<p>Estate duty has been abolished from 15 February 2008.</p>
<p>9. Stamp duty</p>	<p>For property transfer before 15 February 2023, stamp duty ranges from 1% to 3% on the first S\$1m and 4% after that on the higher purchase price or market value of a residential property. Since 15 February 2023, the top marginal buyer’s stamp duty rate for residential properties has been further raised to 5% on values between S\$1.5m to \$3m and 6% for a value exceeding S\$3 million.</p> <p>Additional ‘sellers’ and ‘buyers’ stamp duty has been introduced since 2011 and periodically reviewed to curb residential property speculations.</p> <p>For share transfer, stamp duty is levied at 0.2%. The transfer of scripless shares of listed company via the Central Depository (“CDP”) does not attract any stamp duty.</p>
<p>10. Property tax</p>	<p>Owner-occupied residential property is currently subject to progressive tax rates ranging from 0 to 32% (0% to 23% for the year 2023), depending on the annual value of the property. The tax rates for residential property that is not owner-occupied range from 12% to 36% (11% to 27% for year 2023). Commercial and industrial (i.e. non-residential) properties are taxed at 10%.</p>

**10.
Property tax
(cont.)**

The progressivity of residential properties has been enhanced from 1 January 2024. Owner-occupied residential property tax brackets has been adjusted with a top margin of 32% for an annual value over S\$100,000. Non-owner-occupied residential property tax rates range from 12% to 36% (2024), with top margins applicable to annual value over S\$60,000.

**11.
Income
Tax Filing
Deadlines**

Types of Form		Deadlines
Form B / B1	Resident individual	15 April
Form M	Non-resident individual	15 April
Form C	Companies	30 November
Form P	Partnerships	15 April

**12.
Double Tax
Agreements**

Certain payments made from residents in Singapore to non-residents are subject to domestic withholding tax rates. The rates of taxes may be reduced under the terms of a double tax agreement with a treaty country as those listed below.

Country	Dividend %	Interest %	Royalties %
Albania	Nil	5	5
Australia	Nil	10	10
Austria	Nil	5	5
Armenia	Nil	5	5
Bahrain	Nil	5	5
Bangladesh	Nil	10	10
Barbados	Nil	12	8
Belarus	Nil	5	5
Belgium	Nil	5	3/5
Brazil	Nil	10/15	10 #
Brunei	Nil	5/10	10
Bulgaria	Nil	5	5
Cambodia	Nil	10	10
Canada	Nil	15	10 #
China (People's Republic)	Nil	7/10	6/10
Cyprus	Nil	7/10	10
Czech Republic	Nil	Nil	5/10
Denmark	Nil	10	10
Ecuador	Nil	10	10
Egypt	Nil	15	10 #
Estonia	Nil	10	7.5
Ethiopia	Nil	5	5
Fiji	Nil	10	10

**12.
Double Tax
Agreements
(cont.)**

Country	Dividend %	Interest (%)	Royalties %
Finland	Nil	5	5
France	Nil	10	Nil
Georgia	Nil	Nil	Nil
Germany	Nil	8	8
Ghana	Nil	7	7
Greece	Nil	7.5	7.5
Guernsey	Nil	12	8
Hungary	Nil	5	5
India	Nil	10/15	10
Indonesia	Nil	10	8/10
Isle of Man	Nil	12	8
Israel	Nil	7	5
Italy	Nil	12.5	10 #
Japan	Nil	10	10
Jersey	Nil	12	8
Jordan	Nil	5	5
Kazakhstan	Nil	10	10
Korea, Republic of	Nil	10	10 #
Kuwait	Nil	7	10
Laos	Nil	5	5
Latvia	Nil	10	5
Libya	Nil	5	5
Liechtenstein	Nil	12	8
Lithuania	Nil	10	7.5
Luxembourg	Nil	Nil	7
Malaysia	Nil	10	8
Malta	Nil	7/10	10
Mauritius	Nil	Nil	Nil
Mexico	Nil	5/15	10
Mongolia	Nil	5/10	5
Morocco	Nil	10	10
Myanmar	Nil	8/10	10
Netherlands	Nil	10	Nil
New Zealand	Nil	10	5
Nigeria	Nil	7.5	7.5
Norway	Nil	7	7
Oman	Nil	7	8
Pakistan	Nil	12.5	10
Panama	Nil	5	5
Papua New Guinea	Nil	10	10
Philippines	Nil	10 / 15	10 #
Poland	Nil	5	2/5
Portugal	Nil	10	10
Qatar	Nil	5	10

12. Double Tax Agreements (cont.)

Country	Dividend %	Interest (%)	Royalties %
Romania	Nil	5	5
Russian Federation	Nil	Nil	5
Rwanda San Marino	Nil	10	10
San Marino	Nil	12	8
Saudi Arabia	Nil	5	8
Serbia	Nil	10	5/10
Seychelles	Nil	12	8
Slovak Republic	Nil	Nil	10
Slovenia	Nil	5	5
South Africa	Nil	7.5	5
Spain	Nil	5	5
Sri Lanka	Nil	10	10
Sweden	Nil	10/15	Nil
Switzerland	Nil	5	5
Taiwan	Nil	15	10 #
Thailand	Nil	10/15	5/8/10
Tunesia	Nil	5/10	5/10
Turkey	Nil	7.5/10	10
Turkmenistan	Nil	10	10
Ukraine	Nil	10	7.5
United Arab Emirates	Nil	Nil	5
United Kingdom	Nil	5	8
Uruguay	Nil	10	5/10
Uzbekistan	Nil	5	8
Vietnam	Nil	10	5/10

where the withholding tax for royalties provided under Double Tax Treaty is higher than 10%, then the withholding tax of 10% based on domestic legislation applies to the payment of royalties to non-resident of Singapore.

13. COVID-19 Support Measures and Tax Treatment

In light of the global COVID-19 outbreak, a series of support tax measures have been introduced to help businesses and individuals to ease their cash flow in 2020 to 2023. They include:

- Exemption of various government payouts targeted to support individuals through the exceptional circumstances arising from the COVID-19 pandemic, help employers retain their local employees and mitigate the financial impact of COVID-19 containment measures.
- Provide flexibility in determination of tax residence status or permanent establishment of a company due to the travel restrictions relating to COVID-19.
- Exemption for employment benefits for accommodation, food, transport and daily necessities to support employees affected by movement restrictions imposed within and across borders.
- Introduce Property Tax Rebate and Rental Relief Framework to support property owners and tenants.



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This publication has been prepared for quick information dissemination to our counterparts in other countries. Its contents should not be used as a basis for advice or formulating decisions.

TAIWAN

2024 TAX CARD (IN NEW TAIWAN DOLLAR)

1. Basis of Taxation

Profit-Seeking Enterprise Income Tax

A profit-seeking enterprise (proprietorship, partnership, or company) having its head office in Taiwan shall be taxed on worldwide income. A profit-seeking enterprise having its head office outside Taiwan shall be taxed only on income sourcing from Taiwan. The tax year for a profit-seeking enterprise is calendar year, unless it obtains approval from tax authority to apply fiscal year.

In 2016, the tax authority introduced the “controlled foreign company” (CFC) rule in the income tax law. A Taiwan enterprise is required to include its pro rata share of accounting profits from offshore controlled foreign companies in its current taxable income rather than to be taxed upon receiving dividends from the CFCs. The tax authority also introduced the “permanent establishment” (PEM) regime in the same year. A foreign enterprise with a place of effective management in Taiwan shall be deemed as a profit-seeking enterprise having its head office in Taiwan. That foreign enterprise shall be subject to profit-seeking enterprise income tax in accordance with the Taiwan tax laws and regulations. The CFC rule becomes effective starting from FY2023. The executive date of the PEM regime is to be decided by the Taiwan Executive Yuan.

Individual Income Tax

An individual (tax resident or non-tax resident) shall be taxed on income sourcing from Taiwan. Non-Taiwan source income of an individual tax resident should be subject to alternative minimum tax. The tax year for an individual is calendar year.

2. Corporate Tax

Profit-Seeking Enterprise Income Tax

The minimum taxable income and the tax rate are as follows (applicable to fiscal years starting on or after January 1st 2018):

- If total taxable income is NTD 120,000 or less, the profit-seeking enterprise is exempt from income tax.
- If total taxable income is more than NTD 120,000, the income tax rate shall be 20%. The income tax payable shall not exceed one half of the portion of taxable income more than NTD 120,000.

Effective since January 1st, 2016, capital gains on sale of real property (land and houses) which was purchased after January 1st, 2016 should be subject to a separate capital gain income tax. The tax rate ranges from 20% to 45% and varies with the real property holding period. For a nonresident enterprise, the tax rate is 45% and reduced to 35% if the real property is held for more than 2 years. Increase in land value which has been subject to land value incremental tax can be partially or fully deducted from capital gains on sale of land to avoid double taxation.

2. Corporate Tax (cont.)

If an enterprise transfers the ownership of the other local or foreign enterprise in which that other enterprise directly or indirectly owns more than 50% interests and where more than 50% of that other enterprise's value comes from the real property located in Taiwan, the transfer of ownership should also be subject to the separate capital gain income tax.

Surtax

5% Surtax is imposed on profits generated in fiscal years starting on or after January 1st 2018 and not distributed in the next year. Starting from January 1st, 2019, due to the abolishment of the "Two-Tax-In-One" rule, Surtax paid by an enterprise can no longer be claimed as tax credit against withholding tax on dividend/earnings repatriated by the enterprise to its foreign owners.

Alternative Minimum Tax

A profit-seeking enterprise is subject to alternative minimum tax (AMT), provided that:

- It has a fixed place of business or business agent in Taiwan;
- It earns specific tax-exempt income (e.g., gain on sale of securities) or enjoys specific tax exemption incentives;
- Its adjusted taxable income (basic income) is more than NTD600,000;
- Its AMT (the portion of basic income over NTD 600,000 multiplied by 12%) is more than its profit-seeking enterprise income tax (general income tax);
- It needs to pay AMT in excess of its general income tax.

3. Withholding tax rate (non-treaty)

Income	Resident		Non-resident Individual/ Corporation
	Individual	Corporation	
Dividends	N/A	N/A	21%
Interest	10%	10% (corporation other than banks)	20%
Royalties/know-how	10%	N/A (if GUI issued)	20%
Rents (for moveable property)	10%	N/A (if GUI issued)	20%
Management fees	10%	N/A (if GUI issued)	20%
Technical fees	10%	N/A (if GUI issued)	20%
Directors' fees	5%	N/A	Individual: 6%/18% Corporation: 20%"

Note: GUI means "Government Uniform Invoice", which is the standard local invoice designed, printed, and controlled by tax authority.

For a resident company, dividends received from other resident companies are exempted from corporate income tax. For a resident individual, dividends received from resident companies should be taxed in one of the following ways:

- Included in individual's consolidated income and subject to progressive tax rate ranging from 5% to 40% with tax credit equivalent to 8.5% of dividend income capped at NTD80,000; or
- Taxed at a flat rate of 28%.

4. Test or Basis of tax residence

Corporate residence

A profit-seeking enterprise resides in Taiwan if its head quarter is located in Taiwan. In 2016, the tax authority introduced the “place of effective management” (“PEM”) regime in the income tax law. A foreign enterprise with its PEM in Taiwan should be treated as a Taiwan resident enterprise and subject to income tax and all compliance duties as a Taiwanese enterprise. However, the effective date of the PEM rule is to be decided by the Taiwan Executive Yuan.

Individual residence

An individual is considered a Taiwan tax resident if one of the following conditions is met:

- The individual has domicile (house registration) in Taiwan, and either stays in Taiwan for 31 days or more in a calendar year or has vital life/economic interests in Taiwan.
- The individual does not have domicile (house registration) in Taiwan but resides in Taiwan for no less than 183 days in a calendar year.

5. Residential individual tax rates

Consolidated Income Tax

Income tax is levied on consolidated Taiwan-source income of residential individuals. The tax rates are progressive and ranges from 5% to 40%.

Taxable Income (NTD)	Tax Rate	Progressive Deduction in Tax
0 ~ 590,000	5%	0
590,001 ~ 1,330,000	12%	41,300
1,330,001 ~ 2,660,000	20%	147,700
2,660,001 ~ 4,980,000	30%	413,700
4,980,001 ~	40%	911,700

For 2024, a resident individual is granted a personal exemption of NTD 97,000 (NTD 145,500 for elders over 70) and may claim either a standard personal deduction (NTD 131,000/single, NTD 262,000/couple) or itemized deductions. Special deductions may also be claimed for salary income (NTD 218,000), interest income (NTD 270,000), capital loss, etc.

Effective since January 1st, 2016, capital gains on sale of real property (land and houses) which is purchased after January 1st, 2016 should be subject to a separate capital gain income tax at a maximum rate of 45%. The tax rate can be gradually reduced to 15% if the real property is held for more than 10 years. A resident individual may be granted a NTD 4,000,000 exemption and taxed at 10% for capital gains on sale of real property if certain conditions are met. Increase in land value which has been subject to land value incremental tax can be partially or fully deducted from capital gains on sale of land to avoid double taxation.

If a resident individual transfers the ownership of a local or foreign enterprise in which the individual directly or indirectly owns more than 50% interests and where more than 50% of the enterprise’s value comes from the real property located in Taiwan, the transfer of ownership should also be subject to the separate capital gain income tax.

<p>5. Residential individual tax rates (cont.)</p>	<p>Alternative Minimum Tax</p> <p>A resident individual is subject to alternative minimum tax (AMT) at a rate of 20%, provided that:</p> <ul style="list-style-type: none"> • He/she earns non-Taiwan source income, receives specific insurance payment, earns income on transaction of specific securities, or claims deduction for non-cash donation. • AMT ((basic income minus NTD 7,500,000, then multiplied by 20%) is more than consolidated income tax (general income tax). • The AMT in excess of the general income tax should be paid additionally. <p>Parallel to the CFC regime applying to profit-seeking enterprise, the same rule has been introduced in the AMT law for individual taxation. Profits of CFCs should be included in the calculation of basic income of a resident individual based on his/her shareholding percentage in the CFCs. The CFC regime under the AMT law becomes effective since January 1st, 2023.</p>
<p>6. Non-residential individual tax rates</p>	<p>Income tax is levied on Taiwan-source income of non-residential individuals. The tax should be withheld upon payment of income (not on consolidated basis). Wages and salaries are subject to withholding tax at a rate of 18%. Commissions, bank interests, royalties, fees for professional services, rents, and prizes are subject to withholding tax at 20%. Dividend is subject to a 21% withholding tax (increased from 20%) starting from January 1st 2018. Preferential withholding tax rate could be available under tax treaty. A non-resident individual needs not file an income tax return with the tax authority unless specifically requested conditions are met.</p> <p>Effective since January 1st, 2016, capital gains on sale of real property (land and houses) which is purchased after January 1st, 2016 should be subject to a separate capital gain income tax. For a nonresident individual, the capital gains should be taxed at 45%. The tax rate is reduced to 35% if the real property is held for more than 2 years. Increase in land value which has been subject to land value incremental tax can be partially or fully deducted from capital gains on sale of land to avoid double taxation.</p> <p>If a nonresident individual transfers the ownership of a local or foreign enterprise in which the individual directly or indirectly owns more than 50% interests and where more than 50% of the enterprise's value comes from the real property located in Taiwan, the transfer of ownership should also be subject to the separate capital gain income tax.</p>
<p>7. Goods and Services tax</p>	<p>Enterprises have to register with tax authority before doing business, which is regulated by the Value-Added and Non-Value-Added Business Tax Act ("BT Act"). For enterprises completing taxation registration, business tax is imposed in two different regimes:</p> <p>Value-Added Tax (VAT)</p> <p>VAT is levied on 1) sale of goods in Taiwan, 2) provision of services in Taiwan, and 3) goods imported into Taiwan. VAT paid on purchase (Input VAT) should offset against VAT collected from clients/customers (Output VAT). Any excess of Output VAT over Input VAT should be paid to tax authority. Any excess of Input VAT over Output VAT should be carried forward (or claimed for tax refund under specific conditions).</p>

<p>7. Goods and Services tax (cont.)</p>	<p>The VAT collection rate is currently 5%. 0% rate may apply to exports, export-related services, goods sold to tax-free zone, etc. VAT exemption is only applicable to specific business activities listed out in the BT Act.</p> <p>Non-Value-Added Tax (ST)</p> <p>Financial institutions (e.g. bank, insurance company, security trading company), enterprises doing specific business (e.g., provision of special food/beverage services, wholesales of agricultural products), and micro enterprises are subject to ST. ST is based on gross sales amount and the tax rate ranges from 0.1% to 25%.</p> <p>E-Commerce</p> <p>Effective from May 1st, 2017, foreign suppliers (enterprise, institution, organization) which render “e-commerce” services to Taiwanese individuals are requested to make taxation registration, file bimonthly VAT return and pay VAT if the annual e-commerce service revenue is over NTD 480,000. Input VAT can be claimed as credit against Output VAT if adequate documents are provided. The compliance obligations should be done by the foreign e-commerce suppliers or its tax-filing agent in Taiwan. The e-commerce service should also be subject to profit seeking enterprise income tax in Taiwan.</p> <p>The term “e-commerce” means services provided through internet or other electronic methods, which could be downloaded/stored onto computers/mobile devices, used online without download/storage, or involves a physical place of consumption located in Taiwan (e.g., accommodation and car rental services).</p>										
<p>8. Estate duty</p>	<p>Estate and gift tax is levied on worldwide assets of Taiwanese-domiciled individuals. The same tax is levied only on assets located in Taiwan for non-Taiwanese-domiciled individuals. Taxable assets (the value of gross estate or gift minus exemptions and deductions) shall be taxed at progressive tax rates ranging from 10%~20%.</p>										
<p>9. Stamp duty</p>	<p>The following documents drawn up in Taiwan should be subject to stamp tax:</p> <table border="1" data-bbox="419 1473 1457 1794"> <thead> <tr> <th>Documents</th> <th>Tax Rate / Tax</th> </tr> </thead> <tbody> <tr> <td>Monetary receipts</td> <td>0.4% of cash received (0.1% of money deposited by bidders as deposit of bid bonds)</td> </tr> <tr> <td>Contracting agreements</td> <td>0.1% of contract price</td> </tr> <tr> <td>Contracts for sale, transfer, or partition of real estate</td> <td>0.1% of contract price</td> </tr> <tr> <td>Contracts for sale of movable property</td> <td>NTD 4 per contract</td> </tr> </tbody> </table>	Documents	Tax Rate / Tax	Monetary receipts	0.4% of cash received (0.1% of money deposited by bidders as deposit of bid bonds)	Contracting agreements	0.1% of contract price	Contracts for sale, transfer, or partition of real estate	0.1% of contract price	Contracts for sale of movable property	NTD 4 per contract
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<p>10. Property tax</p>	<p>Land Value Tax</p> <p>Land value tax is imposed on urban and rural land with assigned land value. The tax is levied at progressive rates (from 1% to 5.5%) based on land value published by government. Preferential tax rate at 0.2% may apply to self-use residential land under conditions.</p>										

10. Property tax (cont.)

House Tax

House tax is levied on houses attached to land and on such other buildings which enhance the utility value of those houses. The tax basis is the current value of houses published by government. Houses used for residency are subject to tax rates from 1.2% to 3.6%. Houses used for business are subject to tax rates from 3% to 5%. For houses used by non-profit organizations (“NPO”), the rates vary from 1.5% to 2.5%.

Land Value Incremental Tax

Land that has been assigned a value by the government shall be subject to land value increment tax based on the total amount of land value increment when the title of land is transferred. The land value incremental tax is subject to progressive rates ranging from 20% to 40%.

Starting from January 1st, 2016, capital gains on sale of land which is purchased on or after January 1st, 2016 should be subject to a separate capital gain income tax. However, the amount of land value increment which has been subject to land value incremental tax can be partially or fully deducted from capital gains to avoid double taxation.

11. Income tax filing deadlines

Types of Form	Taxpayer	Deadlines
Simple return Ordinary return	Residential individual	May 31st
Nil	Non-residential individual	Tax should be withheld upon payment. Tax return needs not be filed.
Ordinary return	Profit-seeking enterprise	May 31st (or the last date in the fifth month after fiscal year end)
NPO return	NPO	May 31st (or the last date in the fifth month after fiscal year end)
Ordinary return (dissolution)	Profit-seeking enterprise	Within 45 days after the dissolution date
Liquidation return	Profit-seeking enterprise	Within 30 days starting from the liquidation completion date

12. Double Tax Agreements

Certain payments to non-residents are subject to domestic withholding tax. The tax rates may be reduced based on the double tax agreement with a treaty country. As for December 31st, 2023, Taiwan has signed double tax agreements with 35 countries as listed below.

Country	Dividend %	Interest (%)	Royalties %
Non-treaty Countries	21	15/20	20
Australia	10/15	10	12.5
Austria	10	10	10
Belgium	10	10	10
Canada	10/15	10	10
Czech Republic	10	10	5/10
Denmark	10	10	10

12. Double Tax Agreements (cont.)

France	10	10	10
Gambia	10	10	10
Germany	10	10/15	10
Hungary	10	10	10
India	12.5	10	10
Indonesia	10	10	10
Israel	10	7/10	10
Italy	10	10	10
Japan	10	10	10
Kiribati	10	10	10
Korea	10	10	10
Luxembourg	10/15	10/15	10
Macedonia	10	10	10
Malaysia	12.5	10	10
Saudi Arabia	12.5	10	4/10
Senegal	10	15	12.5
Singapore	40*	Nil	15
Slovakia	10	10	5 / 10
South Africa	5 / 15	10	10
Swaziland	10	10	10
Sweden	10	10	10
Switzerland	10/15	10	10
Thailand	5/10	10/15	10
UK	10	10	10
Vietnam	15	10	15

* The withholding tax so charged shall not exceed an amount which together with the corporate income tax payable on the profits of the Taiwanese company paying the dividends constitutes 40 per cent of that part of the taxable income out of which the dividends are declared. The term "corporate income tax payable" shall be deemed to include the corporate income tax which would have been paid but for the reduction or exemption under the laws designed to promote economic development.

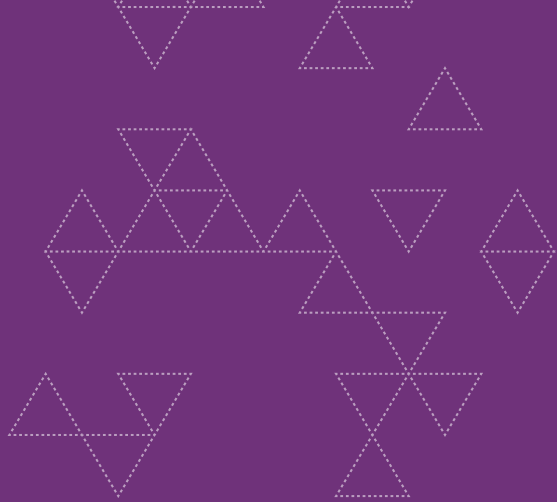
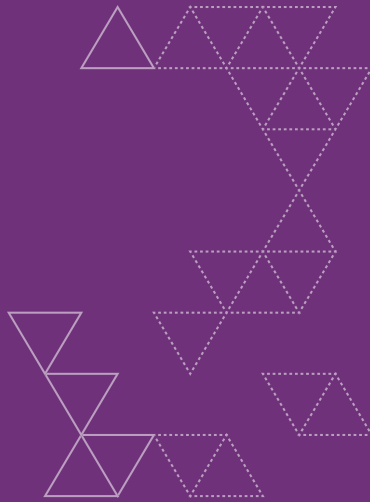
Taiwan has implemented the OECD Common Reporting Standard (CRS) since January 1, 2019. Reporting financial institutions need to obtain information on nonresident account and report to Taiwan tax authorities. The Taiwan tax authorities will exchange the information with the tax authorities of reportable jurisdictions where the account holder is resided. The Ministry of Finance has been communicating with the countries that Taiwan has signed double tax agreement with and announces annually a list of reportable jurisdictions that agree with automatic information exchange with Taiwan. As of December 31st 2023, the reportable jurisdictions include Japan, Australia, and the U.K.

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