

World Tax Advisor

A world of news with tax@hand.



Australia issues exposure draft on new debt deduction rules

Treasury has issued the exposure draft on the proposed new interest limitation rules, which would change the existing asset-based thin capitalization rules to 30% of EBITDA based on the OECD recommended approach, for income years beginning on or after 1 July 2023. The exposure draft also introduces three new earnings-based tests to determine an entity's net debt deductions, modifying the existing group ratio rule and arm's length test. The consultation closes on 13 April 2023.



British Virgin Islands

Approval announced of supplementary review that may affect BVI's status on EU list

The premier has announced the peer review group of the OECD Global Forum on Transparency and Exchange of Information for Tax Purposes has approved a supplementary review of the BVI's "partially compliant" status with the OECD standard on exchange of

Germany

Draft legislation published to implement EU Pillar Two directive

The Ministry of Finance has published draft legislation on the domestic implementation of the EU directive on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the EU. The draft legislation is open for public comments until 21 April 2023.

information on request, which could result in a change to that status and the BVI no longer being included on annex I of the EU list of noncooperative jurisdictions.



Hong Kong

Global minimum tax implementation timelines could affect top-up tax liabilities

This article discusses the implementation timelines in Hong Kong SAR and other jurisdictions for the OECD Pillar Two global minimum tax rules and qualified domestic minimum top-up taxes and what multinational enterprise groups should consider regarding the interactions between the various rules based on the different implementation timelines of the different jurisdictions.



OECD

Mexico deposits MLI ratification instrument

The OECD has announced that Mexico has deposited its instrument of ratification for the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI) with the OECD. The MLI will enter into force for Mexico on 1 July 2023.

Have you visited Deloitte tax@hand?

Tax reform. Unprecedented change. Unique challenges. This is the future of tax. How can you stay ahead? Understand what changes are unfolding in the global tax landscape. Be informed so that you can turn change into opportunity. For the latest tax news and information from over 80 countries, [visit tax@hand](#) or [download](#) the tax@hand mobile app today.

Helpful Resources

- [Subscribe to World Tax Advisor](#)
- [World Tax Advisor archives](#)
- [COVID-19 response hub for tax and legal leaders](#)
- [Business Tax](#)
- [Deloitte International Tax Source](#)
- [Join Dbriefs](#)
- [Follow us on Twitter](#)

Have a question?

If you have any questions about the content in *World Tax Advisor*, please email [Karen Ebert](#) or [Alison Brock](#).

Did someone forward you this message? Skip the grapevine. Receive this newsletter email by clicking on the [subscribe](#) link above to hear it first.

[Deloitte.com](#) | [Legal](#) | [Privacy](#)

30 Rockefeller Plaza
New York, NY 10112-0015
United States

© 2023. For information, contact Deloitte Touche Tohmatsu Limited.



This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](#) to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s approximately 415,000 people worldwide make an impact that matters at [www.deloitte.com](#).