

## World Tax Advisor

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### US proposed regulations on corporate stock buyback excise tax released

The Treasury Department and the Internal Revenue Service have released proposed regulations on the 1% excise tax on repurchases of stock by certain publicly traded corporations, which largely adopt prior interim guidance but provide a revised “funding rule” for publicly traded, foreign-parented groups, as well as set a new deadline for the information reporting and payment of the excise tax.



#### British Virgin Islands

### Version 4.0 of economic substance rules published

The International Tax Authority has published “version 4.0” of the economic substance rules. The amended rules primarily provide an update to rule 5, in which the United Arab Emirates (UAE) has been removed from the list of jurisdictions without a corporate income tax system. An entity may claim to be tax resident in the UAE for financial periods beginning on or



#### Colombia

### Supreme Administrative Court upholds DIAN’s ruling on activation of MFN clauses

The Supreme Administrative Court has issued a ruling confirming the earlier opinion of the National Tax Authority that the application of the most-favored nation clause in article 12 (royalties) of Colombia’s existing tax treaties with Chile, Spain, and Switzerland is not

after 1 June 2023, in which case the rules would not apply.



Germany

### **New transfer pricing rules for intercompany financing contain tightened provisions**

This article discusses the new transfer pricing rules in the Foreign Tax Act regarding cross-border intercompany financing arrangements. The new rules include debt capacity, business purpose, and maximum interest rate tests, as well as a description of “low-function” and “low-risk” services, for purposes of the arm’s length principle and calculating an arm’s length remuneration.

activated by the entry into force of the 2016 Colombia-UK treaty.



Germany

### **RETT guidance addresses share deals and partnership exemption rule**

The tax authorities have published three decrees that provide updated guidance on the application and interpretation of the real estate transfer tax rules. The decrees focus on certain types of share transfers and the exemption rule for transactions between a partnership and its partners.



New Zealand

### **Enactment of major tax act brings wide-ranging changes**

This article discusses key aspects of the Taxation (Annual Rates for 2023-24, Multinational Tax, and Remedial Matters) Act 2024, which includes measures to implement the OECD Pillar Two global minimum tax (GloBE) rules into domestic law. The income inclusion rule and undertaxed payments rule apply as from 1 January 2025, and the domestic income inclusion rule applies as from 1 January 2026.



Taiwan (China)

### **New investment tax credit eligibility criteria for biopharmaceutical R&D activities**

This article provides an overview of the regulatory changes and guidance regarding the eligibility criteria for claiming an investment tax credit for expenses incurred in commissioning domestic pharmaceutical research and development (R&D) service companies to engage in biopharmaceutical R&D activities.



United Arab Emirates

## Corporate tax guidance published on qualifying group relief

The Federal Tax Authority has published a corporate tax guide on “qualifying group relief,” which addresses such matters as eligibility, scope, consequences, clawback situations, and compliance with respect to such relief under the corporate tax law. The guidance aims to provide clarification on qualifying conditions and implications of certain transfers.



United Kingdom

## Generative AI: What should tax directors be thinking about?

Deloitte UK has released a publication that aims to provide tax directors with a strategic framework for integrating generative artificial intelligence (“GenAI”) within the tax function and explores the broader capabilities of GenAI and its potential applications in the short, medium, and long term.



United States

## IRS releases draft Form 1099-DA for digital asset dispositions

The Internal Revenue Service has released the first draft of Form 1099-DA, *Digital Asset Proceeds From Broker Transactions*. The form is for digital asset brokers to report proceeds and basis for dispositions of digital assets and where they know or have reason to know that a corporation in which the payee owns a digital asset that is also stock has had a reportable change in control or capital structure.



United States

## Limited penalty relief for failure to pay estimated tax related to CAMT liability

The Internal Revenue Service has released Notice 2024-33, which grants limited penalty relief for corporations that do not pay estimated income tax related to a corporate alternative minimum tax liability with respect to the estimated tax installment payments due on or before 15 April 2024, or on or before 15 May 2024 in the case of a fiscal year taxpayer with a taxable year beginning in February 2024.

## Tax treaty round up

Recent developments with respect to the following tax treaties: Bangladesh-Netherlands, France-Moldova, and Hong Kong SAR-Mauritius.



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