



## World Tax Advisor

A world of news with tax@hand

### In this issue:

Australia: Federal Budget 2026-27 tax reform changes introduced into parliament.....	2
Finland: Decrease to corporate income tax rate, extension of loss carryforward period proposed .....	2
Germany: Federal tax court confirms dividends paid to US "S corporation" qualify for 0% WHT .....	2
Germany: MOF issues draft proposal of Annual Tax Act 2026 seeking input from stakeholders.....	2
Greece: New law introduces significant tax and regulatory changes .....	3
Hong Kong SAR: Updated proposals for tax deductions for capital expenditure related to IP released .....	3
OECD: Global minimum tax: Updated 2026 version of consolidated commentary released.....	3
Panama: Economic substance requirements for foreign-source passive income become law.....	3
South Africa: Draft advance pricing agreement rules for multinationals.....	4
United Kingdom: Government announces mandatory overseas permanent establishment exemption.....	4
Various jurisdictions: Global trade updates .....	4

## **Australia: Federal Budget 2026-27 tax reform changes introduced into parliament**

The government has introduced two bills into the House of Representatives, which would implement the Federal Budget 2026-27 announcements relating to negative gearing limitations, capital gains tax discount changes and minimum tax, an AUD 250 Working Australians Tax Offset, and an AUD 1,000 standard deduction for work-related expenses.

URL: <https://www.taxathand.com/article/41328/Australia/2026/Federal-Budget-2026-27-tax-reform-changes-introduced-into-parliament>

---

## **Finland: Decrease to corporate income tax rate, extension of loss carryforward period proposed**

This article discusses a draft government proposal that has set out two significant legislative amendments: the corporate income tax rate would be decreased from 20% to 18%, and the tax loss carryforward period would be extended from 10 years to 25 years. The amendments would enter into force on 1 January 2027.

URL: <https://www.taxathand.com/article/41309/Finland/2026/Decrease-to-corporate-income-tax-rate-extension-of-loss-carryforward-period-proposed>

---

## **Germany: Federal tax court confirms dividends paid to US "S corporation" qualify for 0% WHT**

The federal tax court has ruled that a US "S corporation" was entitled to a 0% withholding tax rate on dividends under the Germany-US tax treaty and that a domestic provision that required the shareholders to file for a withholding tax refund, rather than the S corporation itself, is merely procedural and does not affect the treaty analysis.

URL: <https://www.taxathand.com/article/41341/Germany/2026/Federal-tax-court-confirms-dividends-paid-to-US-S-corporation-qualify-for-0-WHT>

---

## **Germany: MOF issues draft proposal of Annual Tax Act 2026 seeking input from stakeholders**

The Ministry of Finance (MOF) has published a draft proposal of the Annual Tax Act 2026, which includes the implementation of key elements of the OECD Pillar Two "side-by-side package" published on 5 January 2026. The MOF is requesting comments on the draft proposal from industry associations and other interested parties by 12 June 2026.

URL: <https://www.taxathand.com/article/41344/Germany/2026/MOF-issues-draft-proposal-of-Annual-Tax-Act-2026-seeking-input-from-stakeholders>

## **Greece: New law introduces significant tax and regulatory changes**

A law has been published in the official gazette that is primarily intended to enhance tax transparency, accelerate the digitalization of procedures, and align domestic legislation with recent European developments. Among the most notable reforms are the introduction of binding tax rulings and the transposition into domestic legislation of the EU directives referred to as “DAC 8” and “DAC 9,” with particular emphasis on tax reporting obligations and crypto assets.

URL: <https://www.taxathand.com/article/41300/Greece/2026/New-law-introduces-significant-tax-and-regulatory-changes>

---

## **Hong Kong SAR: Updated proposals for tax deductions for capital expenditure related to IP released**

The government has released refined proposals for profits tax deductions on capital expenditure related to intellectual property (IP). The draft legislation is expected to be formally introduced to the full Legislative Council during 2026, with the new rules applying to IP acquisitions and licensing arrangements entered into on or after 1 April 2026.

URL: <https://www.taxathand.com/article/41321/Hong-Kong-SAR/2026/Updated-proposals-for-tax-deductions-for-capital-expenditure-related-to-IP-released>

---

## **OECD: Global minimum tax: Updated 2026 version of consolidated commentary released**

The OECD/G20 Inclusive Framework on BEPS has published an updated version of its consolidated commentary to the Pillar Two global minimum tax model rules, to incorporate previously published agreed administrative guidance. This includes guidance contained in the “side-by-side package” and further guidance on the application of the transitional UTPR safe harbor.

URL: <https://www.taxathand.com/article/41324/OECD/2026/Global-minimum-tax-Updated-2026-version-of-consolidated-commentary-released>

---

## **Panama: Economic substance requirements for foreign-source passive income become law**

A law has been enacted that establishes economic substance requirements for certain categories of foreign-source passive income. These requirements will apply to entities incorporated or domiciled in Panama that are part of a multinational group, as defined under the law. Additionally, the law introduces other specific provisions. These provisions will apply as from 1 January 2027.

URL: <https://www.taxathand.com/article/41335/Panama/2026/Economic-substance-requirements-for-foreign-source-passive-income-become-law>

## **South Africa: Draft advance pricing agreement rules for multinationals**

This article discusses draft rules released by the South African Revenue Service that would govern the long-awaited advance pricing agreement (APA) program for multinationals. The draft rules would set various, very high, thresholds for potential eligibility for the APA program. The APA program would also be available only in respect of specific types of transactions.

URL: <https://www.taxathand.com/article/41308/South-Africa/2026/SARS-unveils-draft-advance-pricing-agreement-rules-for-multinationals>

---

## **United Kingdom: Government announces mandatory overseas permanent establishment exemption**

The government has announced that UK resident companies will be required to exclude profits and losses attributable to foreign permanent establishments from their corporation tax computation, effectively making the existing “foreign branch exemption election” mandatory. For most companies, the new requirement will apply for corporation tax accounting periods beginning on or after 1 January 2027.

URL: <https://www.taxathand.com/article/41304/United-Kingdom/2026/Government-announces-mandatory-overseas-permanent-establishment-exemption>

---

## **Various jurisdictions: Global trade updates**

Recent announcements and developments for various jurisdictions.

URL: <https://www.taxathand.com/search-results?page=1&tagIds=484>

---

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](http://www.deloitte.com/about) to learn more.

Deloitte provides leading professional services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our people deliver measurable and lasting results that help reinforce public trust in capital markets and enable clients to transform and thrive. Building on its 180+-year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's over 470,000 people worldwide work together every day to make an impact that matters at [www.deloitte.com](http://www.deloitte.com).