World Tax Advisor
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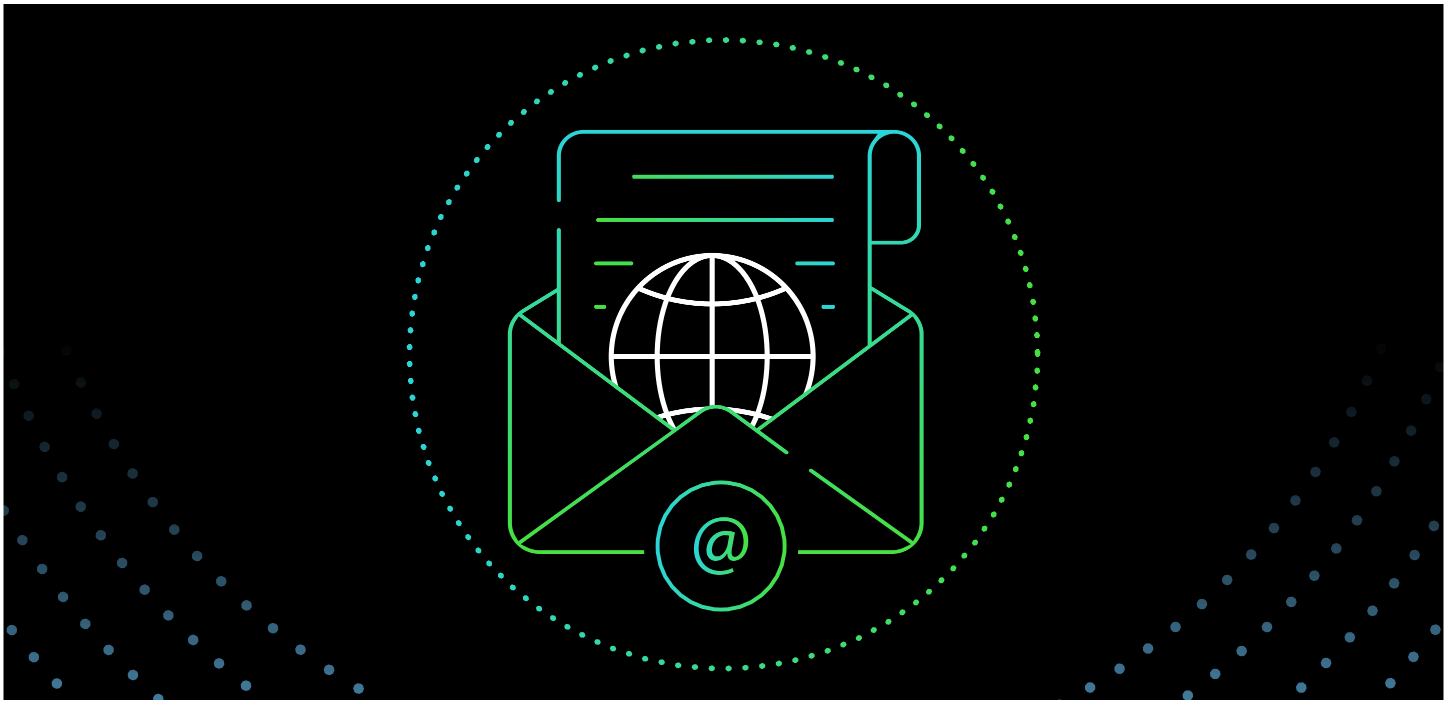

World Tax Advisor

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In this issue:

China: New individual income tax rules issued on offshore trusts

The Ministry of Finance and State Taxation Administration (STA) have issued a bulletin on individual income tax matters regarding offshore trusts, and the STA has released a supporting bulletin on tax administration matters. A "90-day window" has been provided, during which taxpayers may voluntarily declare and settle certain unpaid taxes for existing trusts, without a late payment surcharge being imposed.

URL: https://www.taxathand.com/article/41643/China-Peoples-Republic-of/2026/New-individual-income-tax-rules-issued-on-offshore-trusts

Germany: Federal tax court adopts broad interpretation of partnership double deduction rule

The federal tax court has overturned a lower tax court decision regarding the specific double deduction rule for partnerships and disallowed a deduction of interest expense for German tax purposes. In doing so, the court adopted an economic interpretation that broadens the application of the rule to include situations where no formal deduction is made for foreign tax purposes.

URL: https://www.taxathand.com/article/41628/Germany/2026/Federal-tax-court-adopts-broad-interpretation-of-partnership-double-deduction-rule

Germany: Federal tax court refers German tax treatment of cross-border mergers to CJEU

The federal tax court has referred to the Court of Justice of the European Union the question of whether the addback of 5% deemed nondeductible business expenses in the case of a tax-exempt cross-border merger gain (effectively reducing the participation exemption from 100% to 95%) is compatible with the EU merger directive.

URL: https://www.taxathand.com/article/41631/Germany/2026/Federal-tax-court-refers-German-tax-treatment-of-cross-border-mergers-to-CJEU

Indonesia: Article 22 income tax collection for PMSE activities postponed

The Directorate General of Taxes (DGT) has postponed the collection of article 22 income tax on certain electronic platform transactions until 1 November 2026. Previously, marketplaces appointed by the DGT were required to collect the tax on income earned by domestic sellers through the marketplace platforms as from 1 August 2026. The DGT will reappoint marketplaces as tax collectors at a later date, and tax that has already been collected must be refunded.

URL: https://www.taxathand.com/article/41639/Indonesia/2026/Article-22-income-tax-collection-for-PMSE-activities-postponed

Italy: Tax court decision confirms no DST is due if platform does not act as intermediary

A judgment from the first instance tax court of Milan provides important guidance on the application of the digital services tax to different business models operated through the same digital platform. In particular, the court found that revenue generated under consignment-type arrangements with suppliers was outside the scope of the tax in a scenario where the digital platform operator was not acting as an intermediary.

URL: https://www.taxathand.com/article/41626/Italy/2026/Tax-court-decision-confirms-no-DST-is-due-if-platform-does-not-act-as-intermediary

Korea (ROK): 2026 Tax Revision Bill announced

The Ministry of Economy and Finance has announced its proposed 2026 Tax Revision Bill, which focuses on (i) supporting a rebound in Korea's potential growth rate beyond the current semiconductor-driven recovery, (ii) enhancing support for ordinary citizens, middle-income households, and young people, while promoting regional development, (iii) advancing tax reform to promote fair taxation, and (iv) rationalizing the tax system and improving taxpayer convenience.

URL: https://www.taxathand.com/article/41624/Korea-Republic-of/2026/2026-Tax-Revision-Bill-announced

Luxembourg: E-invoicing could become mandatory for domestic B2B transactions as from 2028

The government has submitted to the Chamber of Deputies a draft bill that would introduce mandatory e-invoicing for supplies of goods and services between taxable persons established in Luxembourg. The obligation to issue e-invoices would be introduced gradually, depending on the size of the business; all businesses would have to be ready to receive e-invoices by 1 January 2028.

URL: https://www.taxathand.com/article/41621/Luxembourg/2026/E-invoicing-could-become-mandatory-for-domestic-B2B-transactions-as-from-2028

Malaysia: Transfer pricing guidelines issued on intragroup loans

The Inland Revenue Board has issued detailed guidance on the transfer pricing treatment of intragroup loans. The guidance broadly aligns with the arm's length principle reflected in the OECD transfer pricing guidelines and the United Nations Practical Manual on Transfer Pricing for Developing Countries, while incorporating Malaysia-specific administrative requirements and simplified compliance measures.

URL: https://www.taxathand.com/article/41630/Malaysia/2026/Transfer-pricing-guidelines-issued-on-intragroup-loans

Qatar: GTA opens Pillar Two registration service on Dhareeba platform

The General Tax Authority has officially announced the launch of the Global and Domestic Minimum Tax (Pillar Two) Registration Service on its electronic tax platform, Dhareeba. In-scope multinational enterprise groups must complete their initial Pillar Two registration within three months from the date the service was activated, i.e., no later than 31 October 2026.

URL: https://www.taxathand.com/article/41615/Qatar/2026/GTA-opens-Pillar-Two-registration-service-on-Dhareeba-platform

United States: Guidance on leave credits, foreign taxes, backup withholding, saver's match released

The Treasury Department and the Internal Revenue Service have released guidance that implements and clarifies tax changes made by the law commonly known as the One Big Beautiful Bill Act, as well as an executive order. The topics addressed include family and medical leave credits, foreign tax allocation, backup withholding on third-party network transactions, and saver's match contributions.

URL: https://www.taxathand.com/article/41636/United-States/2026/Guidance-on-leave-credits-foreign-taxes-backup-withholding-savers-match-released

Various jurisdictions: Global trade updates

Recent announcements and developments for various jurisdictions.
URL: https://www.taxathand.com/search-results?page=1&tagIds=484