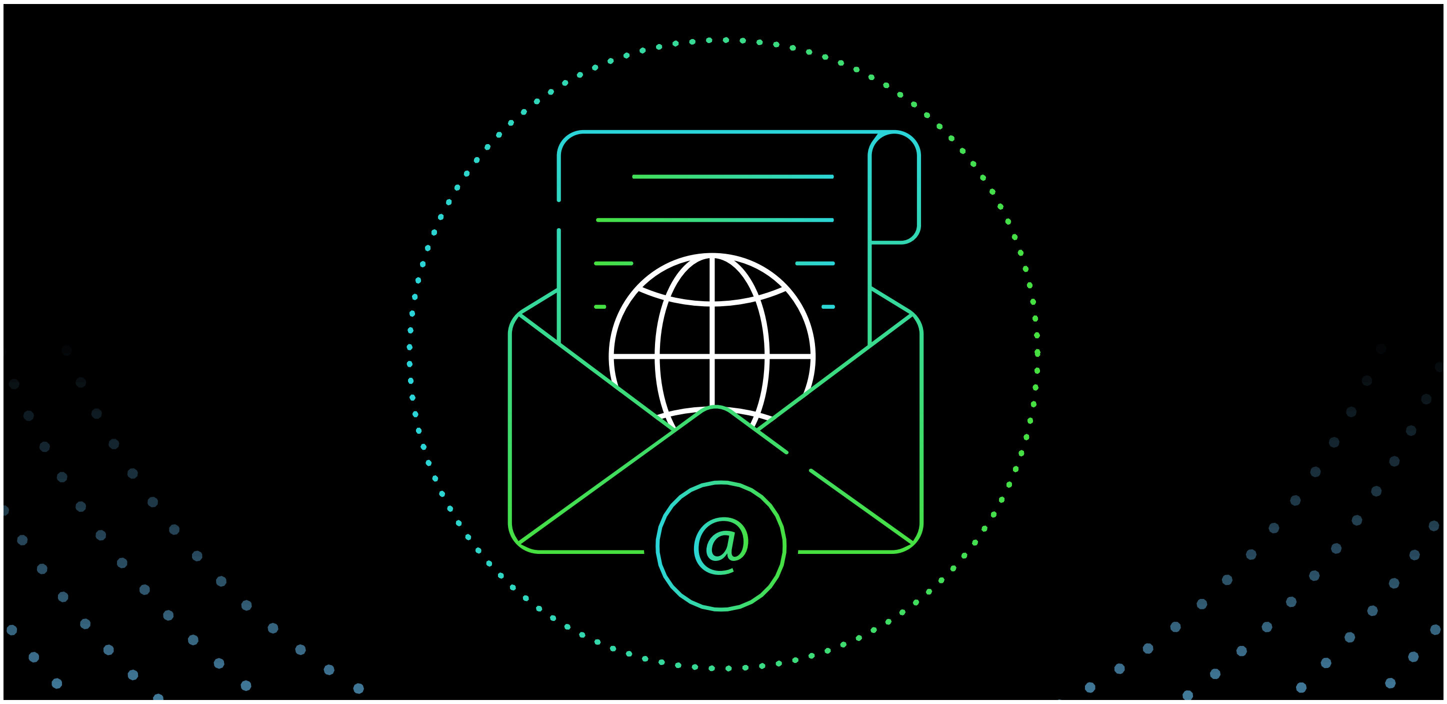

World Tax Advisor

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In this issue:

Cambodia: Responsibility for tax liabilities following business and share transfers and mergers

The Ministry of Economy and Finance has issued a prakas that sets out the rules and procedures for determining responsibility for tax liabilities following business transfers, share transfers, and mergers. The prakas applies to businesses operating in Cambodia under the self-assessment regime.

URL: https://www.taxathand.com/article/41683/Cambodia/2026/Responsibility-for-tax-liabilities-following-business-and-share-transfers-and-mergers

Germany: BFH rules treaty may preclude domestic law hidden profit distribution adjustment

The federal tax court has ruled that a provision of a bilateral tax treaty incorporating the arm's length principle may preclude hidden profit distribution adjustments based on domestic law. The court discussed the interaction between the arm's length requirements in the tax treaty provision and under domestic law, ultimately remanding the cases back to the lower court to consider all relevant circumstances for treaty purposes.

URL: https://www.taxathand.com/article/41697/Germany/2026/BFH-rules-treaty-may-preclude-domestic-law-hidden-profit-distribution-adjustment

Greece: Investment aid for strategic defense, vehicle and aircraft manufacturing sectors

The first announcement of an investment aid regime established for the strategic sectors of defense and vehicle and aircraft manufacturing has been published in the official gazette. The aid includes a deduction of eligible expenses increased by 100% (a "super deduction"), subject to certain limitations.

URL: https://www.taxathand.com/article/41686/Greece/2026/Investment-aid-for-strategic-defense-vehicle-and-aircraft-manufacturing-sectors

Italy: Pillar Two side-by-side package transposed into domestic law

A legislative decree has been published in the official gazette with the aim, among other things, of transposing the OECD Pillar Two "side-by-side package" into the domestic legal framework. The decree introduces a new provision establishing simplification regimes aligned with the side-by-side package, including the side-by-side safe harbor, ultimate parent entity safe harbor; and substance-based tax incentive safe harbor.

URL: https://www.taxathand.com/article/41701/Italy/2026/Pillar-Two-side-by-side-package-transposed-into-domestic-law

Luxembourg: FATCA/CRS: Increased enforcement, practical implications for financial institutions

This article discusses how the tax authorities have significantly intensified their review activity in relation to the US Foreign Account Tax Compliance Act and OECD Common Reporting Standard, as well as key challenges for reporting financial institutions and what they can do to strengthen operational readiness.

URL: https://www.taxathand.com/article/41690/Luxembourg/2026/FATCACRS-Increased-enforcement-practical-implications-for-financial-institutions

Thailand: Extension of reduced 7% VAT rate

A royal decree has been issued that extends the period of the reduction of the statutory VAT rate of 10% to a reduced rate of 7% for an additional year. The extended period will be effective from 1 October 2026 through 30 September 2027.

URL: https://www.taxathand.com/article/41694/Thailand/2026/Extension-of-reduced-7-VAT-rate

United States: How IRS exam trends may reshape crypto compliance

Deloitte Tax LLP has released a publication that offers perspectives on crypto-related Internal Revenue Service exams and includes likely areas of focus, practical insights, leading practices, recommendations, and what to expect going forward.

URL: https://www.taxathand.com/article/41682/United-States/2026/How-IRS-exam-trends-may-reshape-crypto-compliance

United States: Proposed regulations address OBBBA amendments to section 951 and 951A pro rata share rules

Proposed regulations have been released that address the determination of a US shareholder's pro rata share of a controlled foreign corporation's subpart F income, tested income, or tested loss under certain amendments made pursuant to the One Big Beautiful Bill Act (OBBBA). The proposed regulations also address a transition rule related to certain dividends paid or deemed paid before the OBBBA's pro rata share amendments become effective. Comments and hearing requests are due by 26 October 2026.

URL: https://www.taxathand.com/article/41699/United-States/2026/Proposed-regulations-address-OBBBA-amendments-to-s-951-and-951A-pro-rata-share-rules

Various jurisdictions: Global trade updates

Recent announcements and developments for various jurisdictions.

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