On 9 May 2016, the Austrian Ministry of Finance published the draft of the EU Tax Amendment Act 2016. One centerpiece is the draft of the new Austrian Transfer Pricing Documentation Law (for details see Country Updates below). Moreover the draft of the EU Tax Amendment Act 2016 includes the following two important changes in Austrian tax law:

EU-Law on Administrative and Comprehensive Assistance
The EU-Law on Administrative and Comprehensive Assistance aims to implement the EU-Directive on Administrative Cooperation in the Field of Taxation (2011/16/EU) into Austrian tax law. It includes regulations on the exchange of information between tax authorities within the EU. The exchange of information shall now be extended to the exchange of cross border advanced rulings and advanced pricing agreements.

Annulment of the EU-Withholding Tax Act
With the annulment of the EU-Withholding Tax Act the annulment of the EU-Directive on Taxation of Savings Income in the Form of Interest Payments (2003/48/EG) shall be implemented in Austrian law. After its expiry, the regulation of deducting 35%EU-withholding tax on interest of not fully taxable individuals is replaced by the automatic exchange of information of all EU member states and certain non-EU states. The deduction of 35%EU-withholding tax shall be limited to 31 December 2016.

The final enactment remains to be seen.
Draft decree on tax benefits for certain persons moving to Austria

The Tax Reform Act 2015/2016 introduced a special tax allowance of 30% for scientists and researchers moving to Austria and whose work is of public interest. In connection with this regulation, the Austrian Ministry of Finance was authorized to publish a decree on the process of granting benefits.

On 9 May 2016, the Austrian Ministry of Finance published a draft bill of the decree which specifies the process of authorizing benefits.

An additional tax burden after moving to Austria shall be reduced by applying an average tax rate of at least 15% for certain categories of persons.

The Draft Bill of the decree covers the application procedure as well as the legal requirements for the benefit for each category of persons (scientists and researchers, artists, athletes). Moreover the formal requirements and the scope and duration of the benefit are standardized.

The draft bill of the decree (in German) is available under the following link: https://www.bmf.gv.at/steuern/ZBV2016.html

The final enactment remains to be seen. The regulation shall enter into force with the publication in the Federal Gazette.

Input VAT refunds for non-EU businesses

Foreign businesses without seat or permanent establishment in the EU can submit an application for the refund of Austrian input VAT for 2015 to the Tax Office “Graz-Stadt” until 30 June 2016. All original ingoing invoices must be enclosed with the application together with a certificate of taxable business issued by the country of establishment. Please note that refund claims submitted after the due date set by law will not be accepted by the Austrian tax authorities.

Global Developments

- Corporate and Commercial Law —global update

OECD Developments

- The Latest on BEPS – 23 May 2016
- The Latest on BEPS – 9 May 2016
- Six additional countries sign tax cooperation agreement enabling automatic exchange of Country-by-Country reports
- OECD’s Forum on tax administration agrees on BEPS implementation, digital and capacity building
EU Developments

- European Commission publishes guidelines regarding State aid [Read more]
- ECOFIN discusses Anti-Tax Avoidance Package, reaching legal agreement on exchange of tax information and only agreement on Anti-Tax Avoidance Directive general approach [Read more]
- ECOFIN formally adopts Directive on country-by-country reporting in the EU [Read more]

Angola

- Angola's special contribution on current invisible transactions is effective for 2016 [Read more]

Austria

- Austria publishes draft regulation for implementation of Transfer Pricing Documentation Law [Read more]
- Austria publishes draft Transfer Pricing Documentation Law [Read more]

Brazil

- Brazil revises tax on financial transactions [Read more]
- Brazil modifies procedures for applying to corporate taxpayer identification registry [Read more]

Canada

- Manitoba issues budget 2016-17 [Read more]
- Northwest territories issues budget 2016-17 [Read more]
- Saskatchewan issues budget 2016-17 [Read more]
- Canada Border Services Agency’s customs valuation approach mirrors recent WCO Trade Committee’s new case study on transfer pricing [Read more]
- Finance Canada issues legislative proposals on implementation of the OECD Common Reporting Standard [Read more]
- Will coming tax changes spur an increase in private company M&A activity in 2016? [Read more]
- When the sharing economy knocks, how will you answer? [Read more]
- How a new era of tax transparency is being woven together [Read more]
- Assets do not replace land under the “replacement property” rules [Read more]

Costa Rica

- Costa Rica’s Committee on Financial Affairs endorses bill reinstating the annual tax on legal entities [Read more]
Country Updates

**Denmark**
- Danish tax authorities are expected to limit dividend withholding tax refund period from five to three years  
- Danish tax ruling may impact dividend taxation of private equity investors  
- Denmark issues stricter requirements for transfer pricing documentation

**France**
- France publishes French Public Register of Trusts decree  

**Germany**
- German Ministry of Finance publishes draft bill to implement country-by-country reporting and other measures against base erosion and profit shifting  
- German Federal Council urges new procedural rules for EU refund claims for German withholding tax in relation to portfolio dividends

**Ghana**
- Ghana’s Revenue Authority clarifies certain provisions of the Income Tax Act, 2015 Act 896 (as amended)

**Hong Kong**
- Hong Kong enacts law to attract corporate treasury operations

**Hungary**
- Hungarian government proposes simplifications to the Hungarian REIT regime  
- Spring tax package

**India**
- India and Mauritius sign protocol amending income tax treaty  
- Indian tax administration issues draft indirect transfer rules

**Liechtenstein**
- Liechtenstein releases consultation report on implementation of BEPS measures into tax law

**Mexico**
- Mexican Supreme Court denies permanent injunction against obligation to keep electronic accounting records
Country Updates

Namibia
• Namibia proposes withholding tax rate increase on directors’ fees and entertainment fees  
  [Read more]

Netherlands
• Dutch government issues consultation on proposed amendments to Dutch innovation box regime  
  [Read more]

New Zealand
• New Zealand introduces wide ranging corporate tax reforms  
  [Read more]

Norway
• Norwegian interest deduction limitation rules are potentially contrary to EEA Agreement  
  [Read more]
• Norwegian government issues revised fiscal budget for 2016 and proposal for implementation of CbC reporting  
  [Read more]

Oman
• Oman Joint Council of Parliament approves corporate tax increases on LNG, petrochemical and mining companies  
  [Read more]

Russia
• Russia joins standard for automatic exchange of financial account information  
  [Read more]
• Russian Tax Brief: April 2016  
  [Read more]

Slovakia
• Tax & Legal News: April 2016  
  [Read more]

South Africa
• South African Revenue Service issues 2016 year of assessment notice  
  [Read more]
• South African Treasury revisits hybrid debt rules to prevent double non-taxation  
  [Read more]

Sweden
• Sweden proposes implementation of OECD standard for transfer pricing documentation and automatic exchange of CbC reports  
  [Read more]
Country Updates

Tanzania

• Tanzania Court of Appeals holds services rendered outside Tanzania are not subject to withholding tax [Read more]

United Kingdom

• UK issues consultation on transfer pricing secondary adjustments [Read more]
• UK releases new consultation on tax deductibility of corporate interest expense [Read more]
• UK issues consultation on reform of corporation tax loss relief [Read more]
• UK issues consultation on substantial shareholdings exemption reform [Read more]

United States

• Report on recent US international tax developments – 3 June 2016 [Read more]
• Report on recent US international tax developments – 26 May 2016 [Read more]
• Report on recent US international tax developments – 20 May 2016 [Read more]
• Report on recent US international tax developments – 13 May 2016 [Read more]
• US issues proposed rules that would require reporting by foreign-owned US disregarded entities [Read more]
• House prepares to release tax reform blueprint in June
• Senate tax leader releases major derivatives taxation discussion draft
• Obama Administration working toward allowing optional CbC reporting, more multinational involvement needed
• US issues proposed rules that would require reporting by foreign-owned US disregarded entities
• US IRS issues LB&I competent authority statistics
• ABA Tax Section meeting highlights proposed debt/equity and Section 305(c) regulations, US Model Treaty
• Six additional countries sign tax cooperation agreement enabling automatic exchange of country-by-country reports
• OECD’s Forum on Tax Administration agrees on BEPS implementation, digital and capacity building
• ECOFIN agrees only to general approach re: Anti-tax avoidance Directive Legislation [Read more]

Uruguay

• Uruguay approves tax treaties with Chile and United Arab Emirates [Read more]