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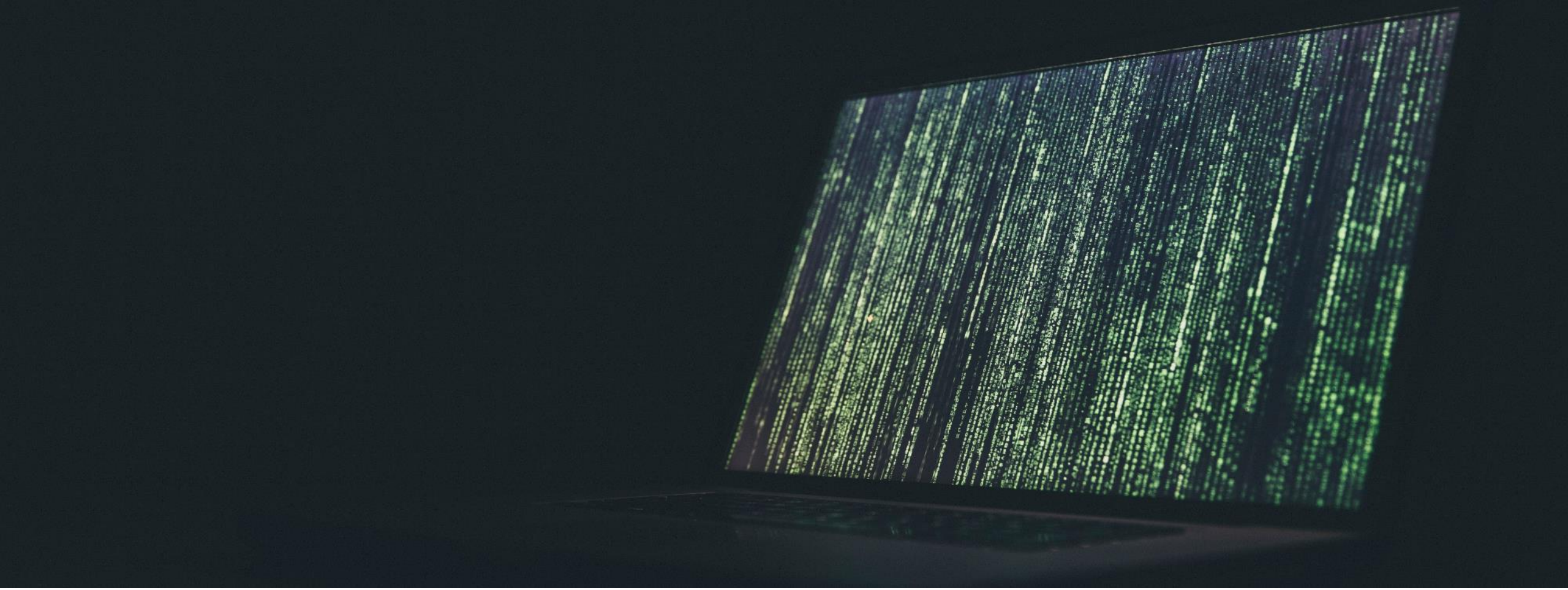

Digital Tax Lift-off: Practical Lessons for Asia from Europe & Africa

WEBINAR January 28, 2021

wts global

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Agenda:

1. Digital Tax – The European View
2. The Comparative Africa Perspective
3. Views from Across the Asia-Pacific
4. Q&A

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WTS Global CEO's welcome and introduction

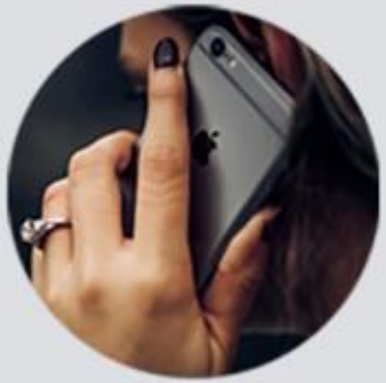
Wim Wuyts

Introduction

Guidance in Uncertain Times: **3 C´s**

Caring

Communicating



Creativity

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WTS Global at a glance

Founded in 2003 by WTS Germany

Locally rooted - Globally connected:
Present in more than 100 countries with more than 3,000 tax professionals

Tax-focused:
Coverage of the entire range of tax advisory services

Independent & free of conflict:
No audit

Quality assurance:
Stringent quality reviews

Diverse customer base:
From multinationals to private clients

Central management & coordination:
Centrally managed global tax practice

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Strong local presence on all continents

Our network firms include (amongst others)

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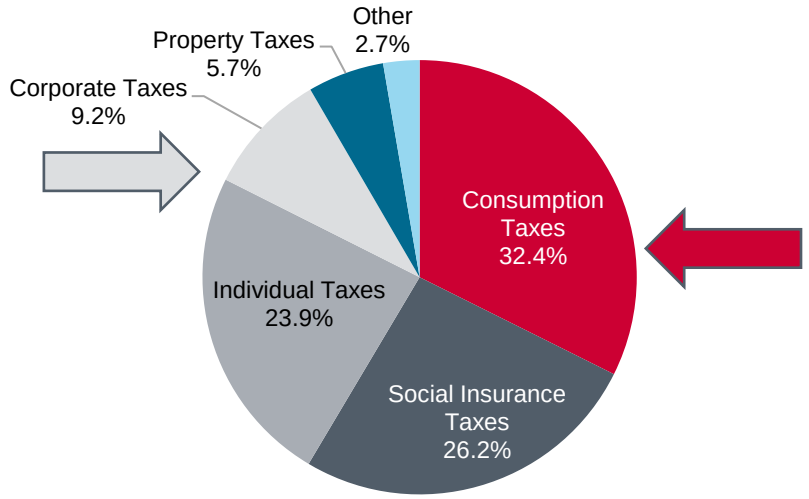
WTS Understands Digital Asia – Real Insights

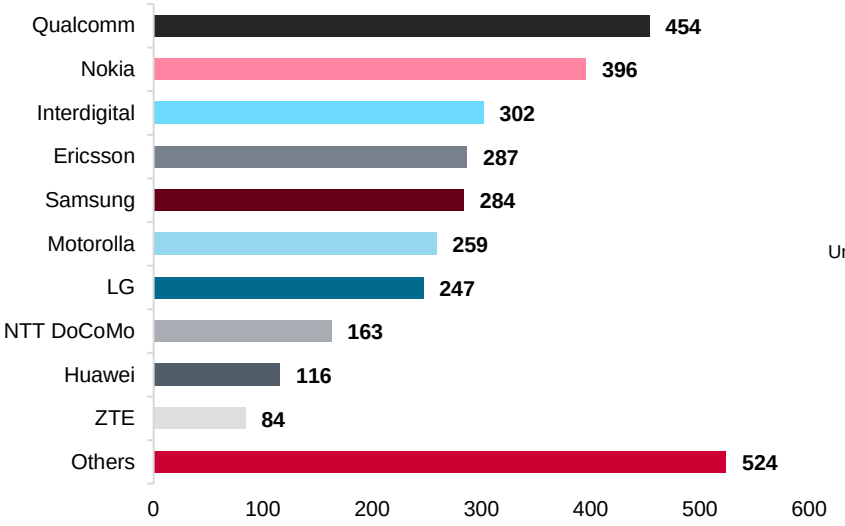
		Asia
1	Global Pillar 1 & 2 impact assessment - US$ 100 billion	Indonesia 2020 Budget deficit - Rp 1039 trillion (US$71 billion) or 6.3% of GDP
2	Europe – OECD, EU Africa – ATAF	40 countries only 4 OECD members
3	EU type Digital Service Taxes (DST) - many	Number of EU type DSTs to date – 0

OECD Average Sources of Tax Revenue, 2017



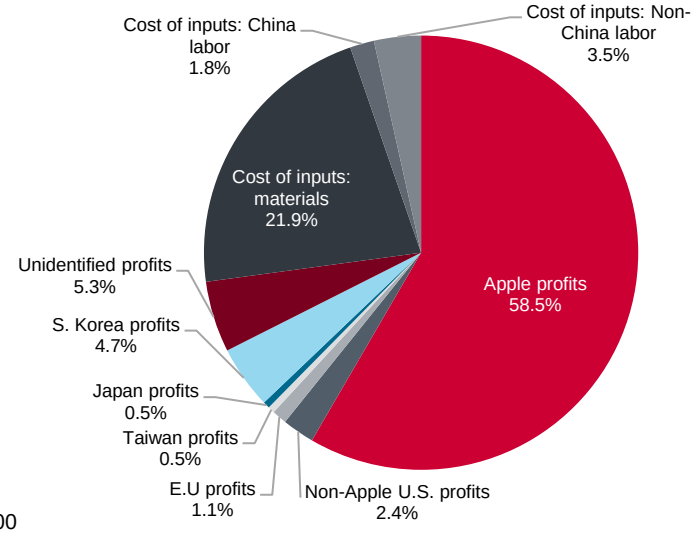
Source: OECD Global Revenue Statistics Database, https://stats.oecd.org/Index.aspx?DataSetCode=RS_GBL.

3G Total Patents and Pending Patents



Source: https://www.patentlyapple.com/patently-apple/2012/09/korean-source-confirms-samsung-will-sue-apple-over-lte.html

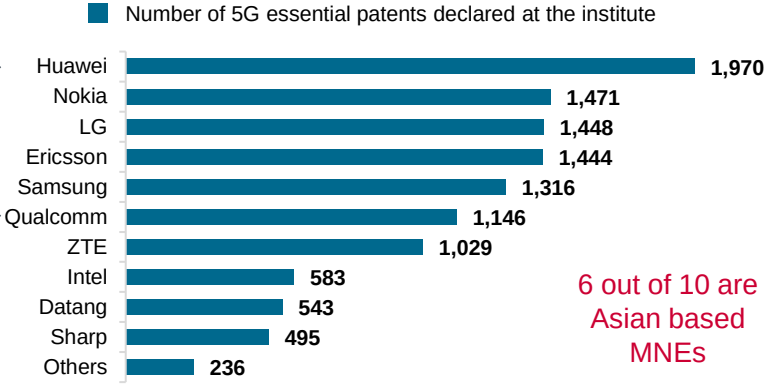
iPhone 4



Sources: http://pcic.merage.uci.edu/papers/2011/Value_iPad_iPhone.pdf; https://www.youtube.com/watch?v=8_eRMC8rM9Q

Who's Ahead on 5G

China's Huawei and ZTE attest to having thousands of 5G patents



6 out of 10 are Asian based MNEs

Sources: The European Telecommunications Standards Institute

BloombergOpinion

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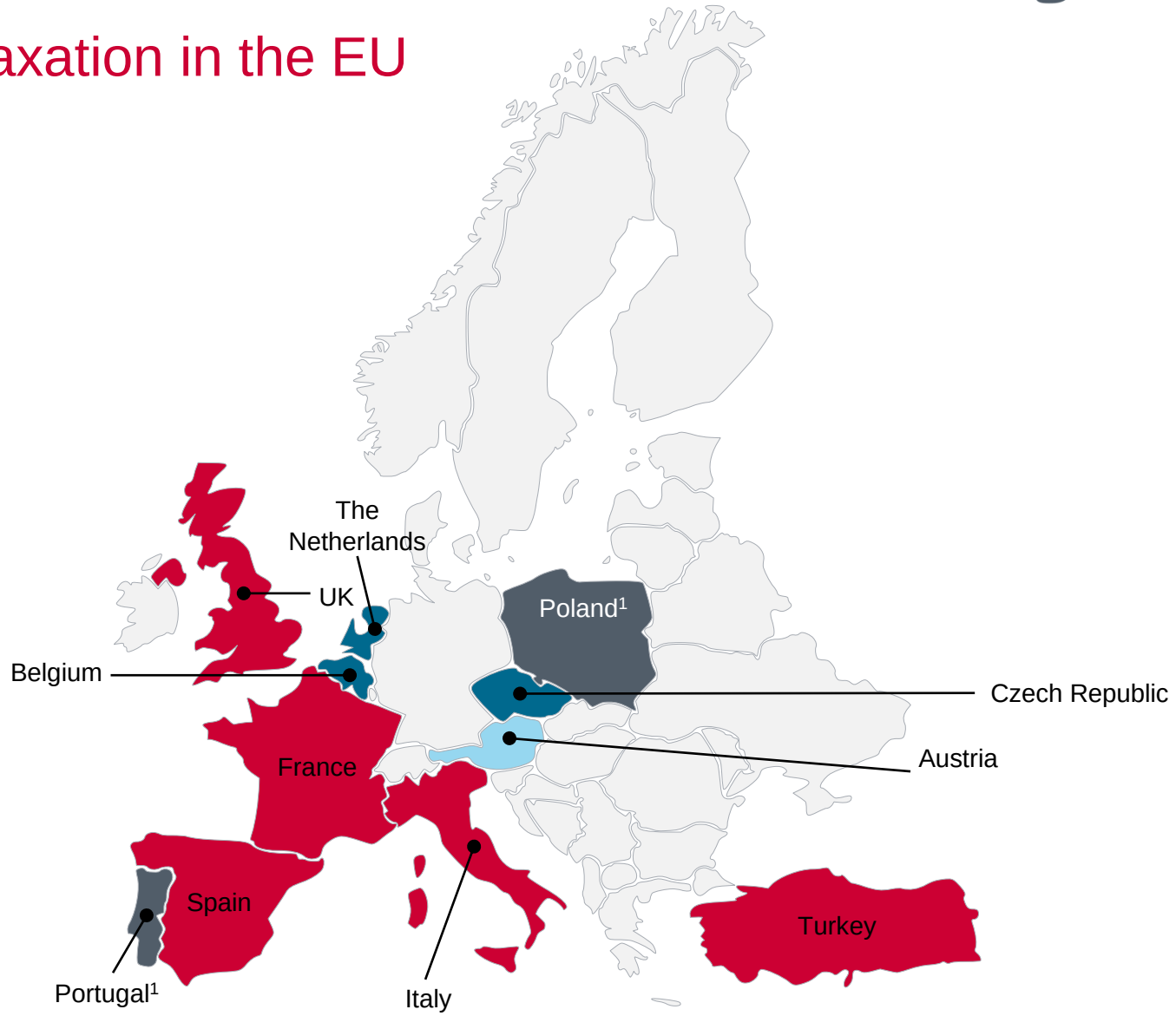
1. Digital Tax – The European View

Status and Trends in Digital Taxation in the EU

LEGEND:

- Increase of DST's
- *"Light"* Versions
- Next ones
- Increase of DSTs and *"Light"* Versions[2]



[1] Netflix Tax

[2] Digital Advertisement

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First Experiences

Formal and Commercial Impact

- Substantial impact on, and increase of Compliance obligations
- Implementation into Financial Systems
- Fiscal Representatives
- Terms & Conditions
- Pricing
- Commercial Agreements
- Impact on (Global) M&A and Reorg activities?

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First Experiences

Risks?

- M&A
  - » Acquisition of IP (i.e. data)

- Composite Supplies / Package Deals
  - » Subscription to a newspaper containing a Hardcopy newspaper as well as an online subscription.
  - » How to allocate revenue

- Data as Currency?

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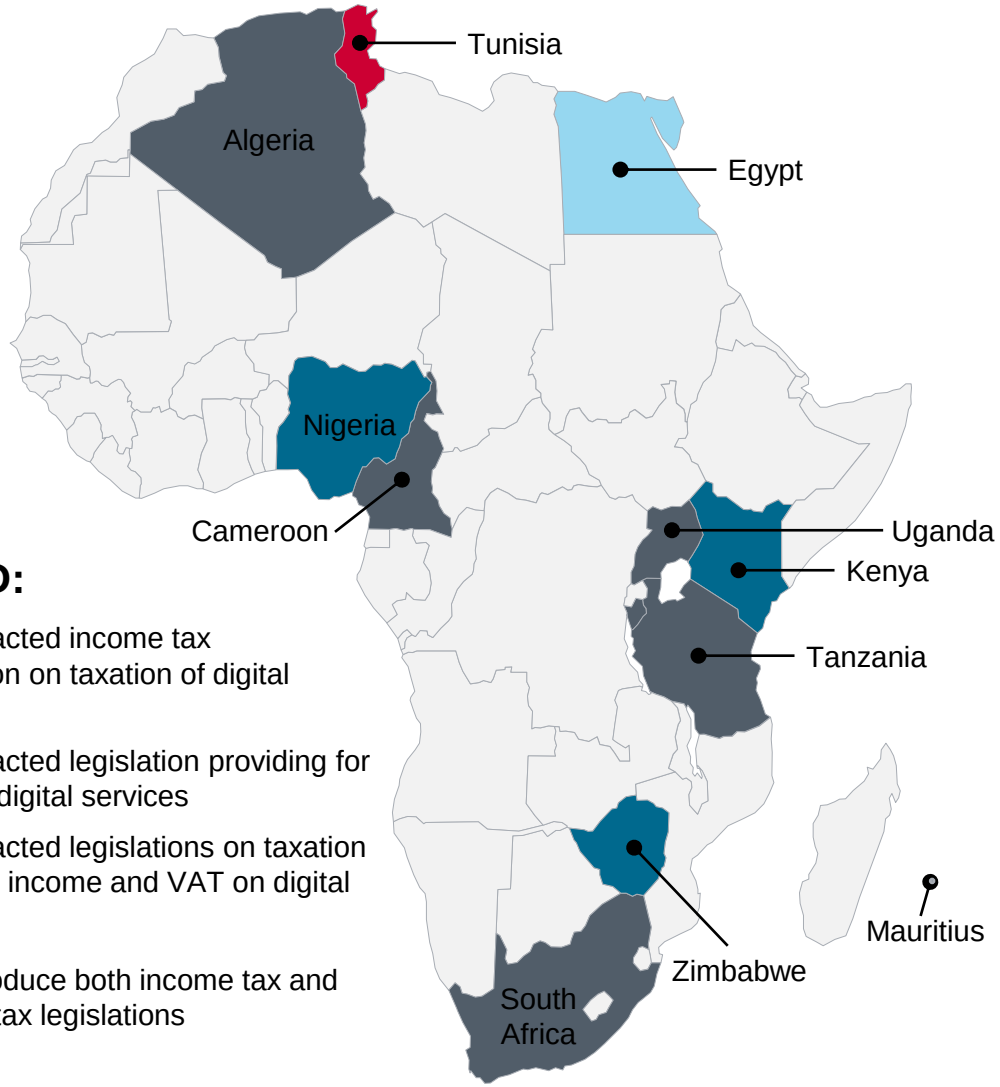
2. The Comparative Africa Perspective

Status and Trends in Digital Taxation in Africa



LEGEND:

- With enacted income tax legislation on taxation of digital income
- With enacted legislation providing for VAT on digital services
- With enacted legislations on taxation of digital income and VAT on digital services
- Will introduce both income tax and indirect tax legislations

- The form/type of the tax varies but generally takes the form of the standard European Type DST although the tax base and rates differ from country to country. With respect to VAT the form and type mostly follows OECD guidance.

- Trend towards a common income tax approach under the auspices of ATAF which announced a suggested approach and provided a template for drafting DST legislation which includes;
  - Proposed scope of DST
  - Suggested rates of between 1% - 3%
  - Duty to file returns
  - Appointment of tax representative

- No discussion or attempt at unified VAT approach

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Challenges and Lessons for Asia

- Design considerations (DST or General Income Tax on income from digital services)
- Common approach; opportunities and challenges
- Mitigating enforcement challenges
  - » collaboration with financial services providers/introduction of collection agents
- Other matters arising from implementation

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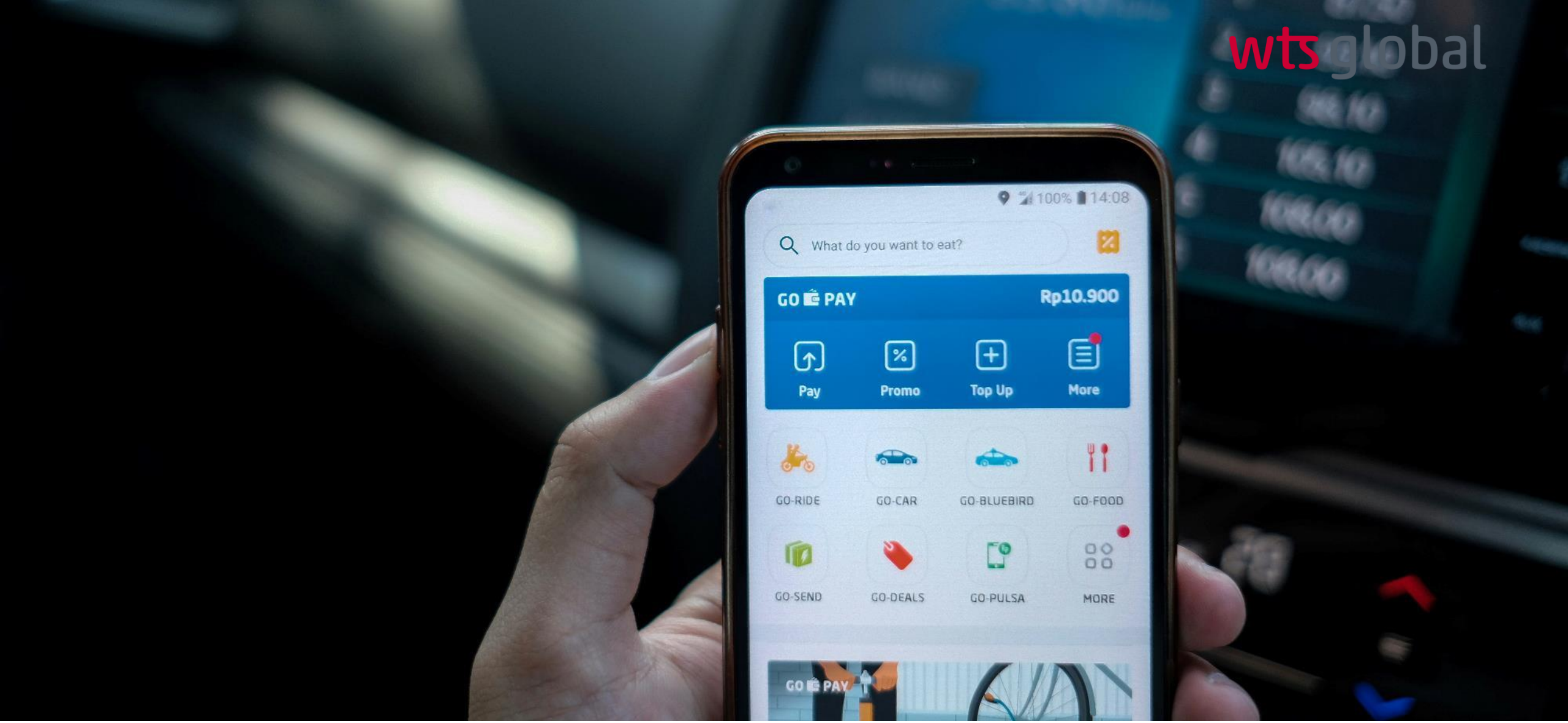

3. Views from Across the Asia-Pacific

China

Traditional taxes on digital services are adopted - no specific digital tax yet

- VAT and local levies
- Income tax to be considered (PE or non-PE)

Issues creates - challenges in cross border services

- Clarification on digital services / software
- PE definition extension

What's next?

- No plan of digital services, current regulation update expected
- More appeals from a number of senior officials in China for the Chinese government to bring the digital tax topic to the legislation planning agenda.

Indirect Tax, Digital Services Levy

- Goods: VAT at 13% of the net sales income
- Services: VAT at 6% of the net service income, exemption possible (on conditions) for cross border digital services
- Local levies ranging from 6% to 12% on VAT payable

Data Privacy or Sovereignty Rules

- Data storage: data collected from "critical IT infrastructure" should be stored in China and can only be transferred out upon approval.
- Maintenance: maintenance of "critical IT infrastructure" should be carried out in China. Remote maintenance is subject to approval.
- Security review: supplier of hardware and services to "critical IT infrastructure" operator could be subject to cyber security review.

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India

Significant economic presence – Key impact and issues

- Concept of 'business connection' significantly diluted. Mere sale of goods or rendering of services by a non-resident to customers in India can now potentially create a taxable presence
- Could extend to non-digital businesses as well
- Presence is based on number of users in India (to be prescribed)
- Taxable presence can be triggered even if no revenue is directly earned from customers in India

Equalization levy - Key impact and issues

- Levy to be discharged by the non-resident e-commerce operator
- Equalisation levy not part of Income-tax law, and hence outside scope of treaties - Credit availability in overseas jurisdictions possibly a challenge
- Scope very board and ambiguous

Report issued on proposed rules for attribution of profit to PEs

- Contribution of users in the digital economy highlighted

For detailed analysis please refer to the Appendix

Income Tax

- Significant economic presence - Defined to mean transactions **a)** in respect of goods, services or property carried on by a non-resident including download of data or software **b)** Systematic and continuous soliciting of business activities or interaction with users through digital means
- Equalization levy
  - Levy of 6% on provision of services in the nature of online advertising, digital advertising
  - Levy at 2% on e-commerce supply or services by e-commerce operators (effective from April 01, 2020)

Indirect Tax

- Goods and service tax applicable on supply of online information and database access or retrieval services

Data Privacy

- The Personal Data Protection Bill, 2018 – Currently only a Bill . Provides individuals full control over their personal data, while ensuring a high level of data protection.

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Indonesia

Digital VAT

- Current implementation status
- Covered supplies
- Determination of VAT collectors

Electronic Transaction Tax (ETT) – currently no implementation

- Current implementation status
- How will foreign digital providers be taxed?

Indirect Tax, Digital Services Levy

- It was implemented since 1 July 2020.
- 46 companies have been appointed as digital VAT collectors (as per Nov 2020)
- 10% VAT on importation of services (e.g. web-hosting, videocon) and intangible goods (e.g. movie, music, games, ebook)
- VAT collector: foreign sellers, foreign e-commerce, local e-commerce.
- Tax burden for Indonesia consumers, while foreign sellers and e-commerce are VAT collectors.

Income Tax, ETT

- Introduced on March 2020, but implementing regulation is yet to be issued.
- Triggering event of PE: significant economic presence:
  - consolidated turnover of business group;
  - sales in Indonesia; and/or
  - numbers of digital users in Indonesia.
- If tax treaty negates PE → taxed through ETT
- Currently under USTR Section 301 Investigation.

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Malaysia

Imposition and Scope of Service Tax on Digital Services (SToDS)

- SToDS is part of the indirect tax regime, more specifically service tax (not VAT/GST).
- SToDS charged and levied on any *digital service* provided by a *Foreign Service Provider (FSP)* to any *consumer* in Malaysia.
- Effective date: 1st January 2020
- Tax rate: 6%
- Registration threshold: RM 500,000
- Defining Malaysian sales: Any customer who fulfils at least two of the following three criteria:
  - makes payment for digital services using credit or debit facility provided by any financial institution or company in Malaysia;
  - acquires digital services using an internet protocol address registered in Malaysia or an international mobile phone country code assigned to Malaysia;
  - resides in Malaysia.

Indirect Tax

- Effective 14th May 2020, intragroup exemption is applicable for SToDS
  - Exemption applies to FSPs that provide digital services to Malaysian companies within the group of companies (as defined).
  - However, if the FSP also provides the same service a person in Malaysia outside the group, both the digital services provided within and outside the group is subject to 6% digital service tax.

Note: The 5% leeway for local intragroup exemption purposes is not applicable for the case of SToDS.

Income Tax

- No separate treatment for digital services but software-related payments are often argued as royalty payments.
- The interpretation of “royalty” clause in tax treaty is construed as subject to non-tax law in Malaysia such as the Copyright Act.

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Philippines

Issues on the digital tax measure

- No counter-part bill at the Senate (Upper House)
- Specific rules/details on compliance as to registration, filing and payments to be threshed out in the implementing rules
- Proper monitoring and enforcing strict compliance by the tax authorities
- Philippines may adopt best practices in other jurisdictions as to administrative compliance (i.e., VAT registration, filing and payment)

Income Tax

- Precursor bill tried imposing income tax but removed due to conflict with Phils. treaty obligations
- Current BIR issuances taxing online sales, advertisement and auctions and transport network companies (TNCs) *(RMC 55-2013; RMC 70-2015)*

Indirect Tax, Digital Services Levy

- HB 7425 imposes NO new taxes
- Merely amends current VAT Law to include digital transactions for the sale of goods or services

Data Privacy or Sovereignty Rules

- Phils. has a Data Privacy Act (DPA) [RA 10173] applying to individuals and legal entities processing personal information
- DPA has extraterritorial application

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Singapore

Imposition and Scope of Taxation of Imported Digital Services

- Services provided by a foreign supplier may be subject to GST under one of the following two regimes:
  - Reverse charge (RC) regime for Business-to-Business (B2B) supplies of imported services; and
  - Overseas vendor registration (OVR) regime for Business-to-Consumer (B2C) supplies of imported digital services.
- Effective date: 1st January 2020
- Tax rate: 7%

Income Tax

- No Income Tax related Digital Service Tax

Indirect Tax, Digital Services Levy

- Under the RC regime, the following entities that import services are required to account for GST on the service: (i) GST-registered partially exempt businesses that are not entitled to full input tax credits; or (ii) GST-registered charity or voluntary welfare organization that receives non-business receipts.
  - This applies to the extent that the service falls within the scope of the RC.
- Under the OVR regime, foreign service providers required to register for GST if: (a) annual global turnover exceeds $1 million; and (b) B2C supplies of digital services to customers in Singapore exceeds $100,000.
  - A simplified registration process applies for the OVR regime.

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Vietnam

New withholding tax rules for e-commerce businesses

- Introduced by the new **LTA**, effective on 1 July 2020
- **Subject: Foreign suppliers not having PE in Vietnam** and conducting e-commerce, digital-based business activities with organizations and individuals in Vietnam (**FS**)
- **Applied taxes:** CIT/PIT, VAT
- **Methods of tax registration, declaration and payment:**
  - B2B: declare and pay tax directly; or apply withholding mechanism
  - B2C: directly or its authorized representatives
  - Commercial banks or payment intermediary services shall deduct and pay on behalf the foreign supplier having no PE in VN, but fail to comply with

When do the foreign suppliers have to register for a PE in Vietnam?

- FS under the Art. 26.3 Cybersecurity Law must set up a branch or representative office in Vietnam

Income Tax

- PIT rate varies 1% - 5%
- CIT rate varies 1% - 10%

Indirect Tax

- The VAT rate varies 2% - 3% - 5%

Data Privacy or Sovereignty Rules

- The new LTA entitles the tax authorities to require information related to the determination of tax liabilities from other entities (public or private), especially commercial banks
- The information would be published in case of a tax offense

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Appendix

EU DST countries

Countries	Threshold	Rates	Scope	Effective date	Payment
Austria	Worldwide: €750 million (*general*) Local: €25 million (*in scope*) Calculated at group level	5%	Revenues concerning online advertising revenues.	January 1, 2020	Annual declaration: three months after the end of the financial year for the previous year.
Italy	Worldwide: €750 million (*general*) Local: €5.5 million (*in scope*) Calculated at group level	3%	Revenues derived from: 1. Advertising services; 2. Intermediation and marketplace services; 3. Data transmission.	January 1, 2020	16 February, for the payment of the DST. Is for 2021 deferred to 16 March. 31 March, for the submission of the annual DST Return. Is for 2021 deferred to 30 April.
Spain	Worldwide: €750 million (*general*) Local: €3 million (*in scope*) Calculated at group level	3%	Revenues derived from: 1. Advertising services; 2. Intermediation and marketplace services; 3. Data transmission.	January 16, 2021	Self-declaration, on a quarterly basis. The submission and payment of the DST due on the first quarter of 2021, is postponed to the second quarter of 2021 (from the 1st to the 31st of July). Hence, the first DST returns will not be submitted until July 1st, 2021.

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EU DST countries

Countries	Threshold	Rates	Scope	Effective date	Payment
UK	Worldwide: £500 million (*in scope*) Local: £25 million (*in scope*) Calculated at group level	2%	In-scope activities to UK users: 1. The provision of a social media platform 2. The provision of a search engine 3. The provision of an online marketplace	April 1, 2020	Payable and reportable on an annual basis. Filing should take place within 12 months following the end of the accounting period. And the tax period is in line with the accounting period, but limited to 12 months if the accounting period is extended.
Turkey	Worldwide: €750 million (*in scope*) Local: TRY 20 million / €2 million (*in scope*) Calculated at group level	7.5%	1. Advertising services 2. Sale of audio, visual or digital content through digital medium and services provided through digital medium aimed at the listening, watching, playing or recording via electronic devices of such contents through digital medium or the use of such devices; 3. The provision and operation of digital environments where users can interact with each other	Retroactively from 1 March 2020.	The DST will be declared on a monthly basis. The tax return will be filled electronically, and DST taxpayers are obliged to submit their digital service tax returns until the evening of the last day of the month following the taxation period.

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Status and Trends in Digital Taxation in the EU

- Increase of DST's (France, UK, Italy, Spain, Turkey, Austria).
- "*Light*" Versions: Portugal, Poland ("Netflix Tax"), Austria in practice digital advertisement.
- First Experiences
  - Substantial impact on, and increase of Compliance obligations
  - Fiscal Representatives
  - (local) DST Laws have been designed in a broad way, are rather vague on some points and do not provide on necessary guidance on other points.
  - Examples
- Going forward
  - Increasing political support amongst the EU Member States? *E.g.* Dutch elections March 2021
  - Joe Bidens administration…… a game changer?

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Digital tax in India

› Taxable presence created on account of a digital presence – **significant economic presence**

'Digital' businesses
Taxable presence created through a 'significant economic presence', which is defined to mean a. transactions in respect of goods, services or property carried on by a non-resident including download of data or software ***(Clause (a))*** b. Systematic and continuous soliciting of business activities or interaction with users through digital means ***(Clause (b))***

Clause (a)
• Concept of 'business connection' significantly diluted. Mere sale of goods or rendering of services by a non-resident to customers in India can now potentially create a taxable presence • Monetary threshold to be prescribed • Could extend to non-digital businesses as well

Clause (b)
• No monetary threshold envisaged – presence is based on number of users in India (to be prescribed) • Can affect social media / networking companies with significant users in India • Taxable presence can be triggered even if no revenue is directly earned from customers in India

› Scope of attribution for digital taxable presence not clear – law only states that income attributable to transactions / activities in India can be taxed in India

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Digital tax in India

Equalization levy introduced

Equalization levy on online advertisements

- Levy of 6% on provision of services in the nature of online advertising, digital advertising
- To be deducted from the payments made to non-resident providers
- Equalisation levy not part of Income-tax law, and hence outside scope of treaties - Credit availability in overseas jurisdictions possibly a challenge

Equalization levy on e-commerce supply or services by e-commerce operators (effective from April 01, 2020)

» E-commerce operator means a non-resident who owns, operates or manages digital or electronic facility or platform for online sale of goods or online provision of services or both

» E-commerce supply or services means

  » Online sale of goods owned by the e-commerce operator; or

  » Online provision of services provided by the e-commerce operator; or

  » Online sale of goods or provision of services or both, facilitated by the e-commerce operator; or

  » Any combination of activities listed above

» Levy at the rate of 2% of the amount of consideration received or receivable by the e-commerce operator for e-commerce supply or service or facilitation of supply or service to:

  - A person resident in India, or
  - A non-resident under specified circumstances –
    - Sale of advertisement targeted towards a customer in India or who accesses the advertisement through IP address in India
    - Sale of data collected from a person resident in India or to a person who buys goods or services through IP address in India
  - A person who buys goods or services through IP address located in India

» Levy to be discharged by the non-resident e-commerce operator

» Income of the non-resident e-commerce operator arising from supply or services made or provided or facilitated from April 1, 2021 is exempt from being taxed under Income-tax Act, 1961

» Provisions not applicable in specified circumstances – e-commerce operator has a PE in India, turnover from e-commerce supply is less than INR 20 mn during the previous year, online advertisements and provision of digital advertising space

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Digital tax in India

» **Activities of 'agents'**

- Activities carried through a person, who habitually plays a principal role in conclusion of contracts by non-resident will create a taxable presence
- Intended to align domestic law provisions with the MLI
- Benefit of treaties can be claimed (subject to GAAR)

» **Goods and Service Tax**

- On supply of online information and database access or retrieval services

» **Central Board of Direct Taxes – Report issued on proposed rules for attribution of profit to PEs**

- Formulary approach recommended - Apply global net profit margin of foreign enterprise to Indian sales, duly adjusted by weightages given to certain factors (sales, assets, employees, wages, etc.)
- Contribution of users in the digital economy highlighted
- For such businesses, attribution of profits to be based on weights on four factors – **users**, sales, manpower and assets
- Weights to be ascribed depending on the level of user intensity

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Digital Service Tax in the Philippines

House Bill (HB) 7425 imposes 12% VAT on sale of (1) **goods** (digital or electronic in nature) and (2) **services** rendered electronically

Covers DSPs, whether resident or non-resident, including:

- Third-party sellers (for its own account or as an intermediary)
- Platform providers (for promotion/advertisement)
- Hosts of online auctions
- Suppliers of digital services for fee subscription

Nonresident DSP required to register for VAT

- If gross sales/receipts exceed threshold of $62,000 (Php 3 million)
- Prohibited from claiming input tax credits

Exemption

- Books/newspapers/reviews/bulletins, etc. sold/imported/published electronically or online

Bill approved by Lower House's Committee on Ways and Means in July 2020

A priority bill with P31 billion target revenue on first year of implementation

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Digital Service Tax in Malaysia

- Any service:
  - that is delivered or subscribed over the internet or other electronic network,
  - which cannot be obtained without the use of information technology, and
  - where the delivery of the service is essentially automated.

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Digital Service Tax in Malaysia | List of Digital Services

- Software, application & video games
- Music, e-book and film
- Advertisement and online platform
- Search engines and social networks
- Database and hosting
- Internet based telecommunication
- Online training
- Others (e.g. subscription to online newspapers and journals, provision of other digital content like images, text, information and payment processing services)

* This is not an exhaustive list

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Digital Service Tax in Malaysia | Foreign Service Provider

- any person outside Malaysia
- provides digital services
- to consumer in Malaysia
- includes **operator** of **online platform**

Buying and selling goods or providing services

Provides digital services on behalf of any person

Foreign Registered Person (FRP)
foreign service provider who is registered under Section 56C STA

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Digital Service Tax in Malaysia | Identifying the “Malaysian sales”

- Any person who fulfils ***any two*** of the following:
  1. makes payment for digital services using credit or debit facility provided by any financial institution or company in Malaysia;
  2. acquires digital services using an internet protocol address registered in Malaysia or an international mobile phone country code assigned to Malaysia;
  3. resides in Malaysia.

- Factors to consider to determine whether the consumer “reside in Malaysia”:
  - The billing address of the consumer is in Malaysia
  - The home address of the consumer is in Malaysia
  - Recipient's country selection

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Digital Service Tax in Malaysia | Administrative Details

Timing of tax due	Upon receipt of payment (not issuance of invoice) Exception: Where payment is not received within 12 months from invoice date, tax is required to be accounted in the 12th month.
Taxable period	Every 3 months (Quarterly) Exception: The duration of the first taxable period may be varied so that the financial year-end coincides with the end of a taxable period.
Submission of return & payment of tax	Within 1 month from end of taxable period via form DST-02 (whether or not there is any service tax to be paid)

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Digital Service Tax in Malaysia | Invoice

- Invoice to consumer for the provision of digital services shall state the following particulars:
  - Date of invoice
  - Registration number
  - A description sufficient to identify the digital services provided
  - The total amount payable excluding tax, the rate of service tax and the total service tax chargeable (shown as separate amount) (there's no express requirement to show these values in Ringgit on the invoice. Conversion is required for compliance purposes)
- Issuance of invoice allowed for both electronic or in print

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Digital Service Tax in Malaysia | DG Approval

Timing of tax due	Upon receipt of payment (not issuance of invoice) Exception: Where payment is not received within 12 months from invoice date, tax is required to be accounted in the 12th month. DG may approve FRP to account on invoice basis
Taxable period	Every 3 months (Quarterly) Exception: The duration of the first taxable period may be varied so that the financial year-end coincides with the end of a taxable period. DG may reassign other taxable periods
Invoice	Include prescribed particulars DG may approve omission of any prescribed particulars DG may approve invoice not to be issued

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Digital Service Tax in Malaysia | Applicable penalties

Offence	Penalty
Non-registration / Late registration	Fine up to RM 30,000 or imprisonment up to 2 years or both
Late or non-submission of return / Incorrect return	Fine up to RM 50,000 or imprisonment up to 3 years or both
Failure to issue invoice / Issue incomplete invoice	Fine up to RM 30,000 or imprisonment up to 2 years or both
Failure to keep records	Fine up to RM 50,000 or imprisonment up to 3 years or both
Late payment of service tax	10% to 40%* penalty and on conviction, fine up to RM 50,000 or imprisonment up to 3 years or both

*Late payment of service tax penalty	
1-30 days from the 1st day after due date	10%
31-60 days from the 1st day after due date	15%
61-90 days from the 1st day after due date	15%
91 days and above from the 1st day after due date	40% maximum (10%+15%+15%)

On amounts not paid

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Digital Service Tax in Malaysia | Applicable penalties

- Penalty for contravening invoice requirements:
  - On conviction, liable to:
    - a fine not exceeding RM30,000, or
    - imprisonment not exceeding two years, or
    - to both
- Penalty for contravening record keeping requirements:
  - On conviction, liable to:
    - a fine not exceeding RM50,000, or
    - imprisonment not exceeding three years, or
    - to both

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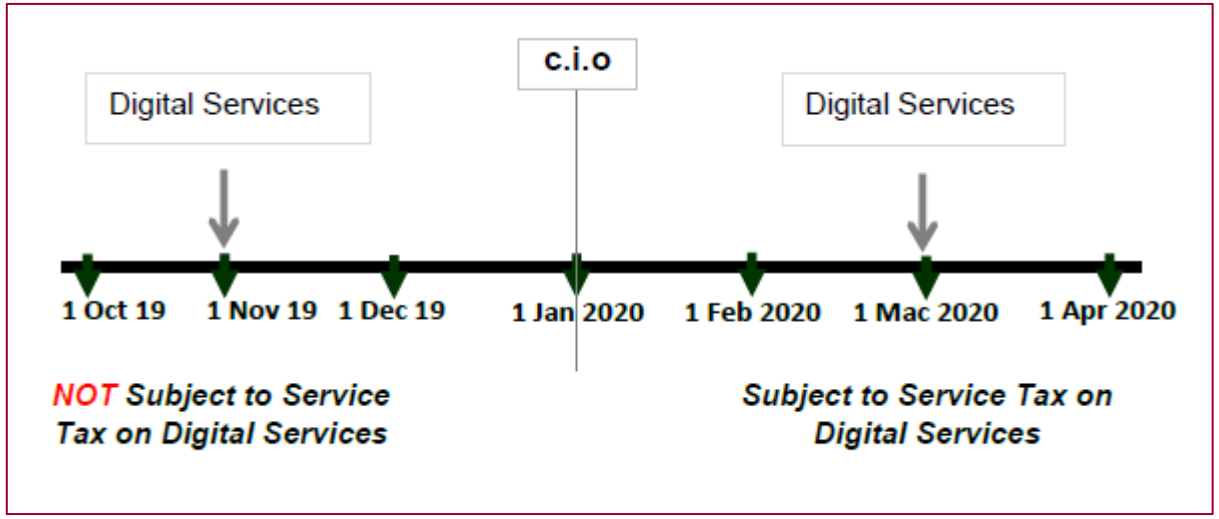
Digital Service Tax in Malaysia | Transitional Rules (pre and post 1st January 2020)

» If the provision of digital services before the effective date (1st January 2020) spans on or after the effective date, the portion of service for 1st January onwards is chargeable to service tax. (Sec 52(1) of Service Tax Amendment Act 2019 (“STAA”))



Source: Guide on Digital Services by Foreign Service Provider (FSP) – V2 as at 01 August 2020

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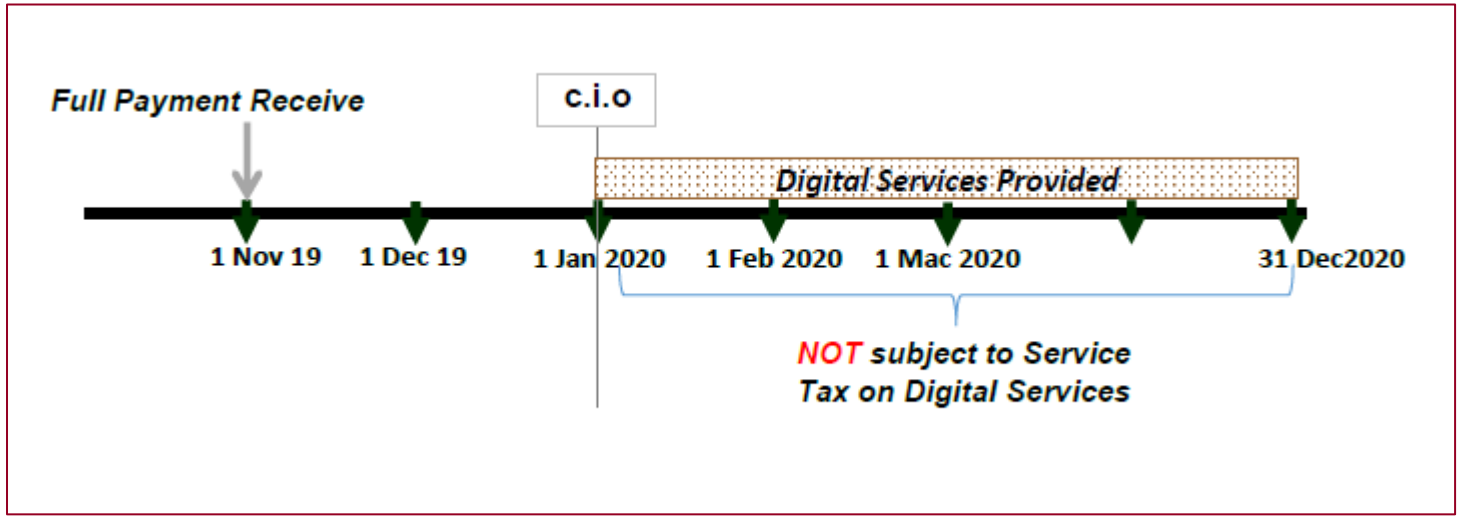
Digital Service Tax in Malaysia | Transitional Rules (pre and post 1st January 2020)

» If any payment is received before 1st January in relation to the provision of digital services that will be provided on or after 1st January, no service tax is charged on the payment received. (Sec 52(2) of STAA)



Source: Guide on Digital Services by Foreign Service Provider (FSP) – V2 as at 01 August 2020

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Digital Service Tax in Malaysia | SToDS and Imported Service Tax

- If a business acquires digital services from an FRP?
  - FRP is still required to charge SToDS
  - Business, whether or not registered for service tax, exempted from imported service tax

    Item 3, Schedule, Service Tax (Persons Exempted From Payment Of Tax) Order 2018

Must hold document/invoice from FRP

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Digital Service Tax in Malaysia | SToDS and Imported Service Tax

- If a business acquires digital services from an FRP and resells the same service?

  Exemption

  - FRP is still required to charge SToDS
  - Business, whether or not registered for service tax, exempted from imported service tax

    Item 3, Schedule, Service Tax (Persons Exempted From Payment Of Tax) Order 2018
  - Registered reseller entitled to claim a refund of SToDS paid to FRP by the offsetting method in his SST-02 forms

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Digital Service Tax in Vietnam

FS under the Art. 26.3 Cybersecurity Law includes:

- FS of telecommunications services, internet services and value-added services in Vietnam's cyberspace that have revenue by collecting, exploiting, analyzing and processing personal information, or data about relationships of their service users or data created by their service users in Vietnam must store this data in Vietnam.

Information disclosure

- Name and website address of the FS that has not registered, declared and paid taxes but has transacted in Vietnam, shall be gathered to identify the tax duty.
- Every payment shall be documented at commercial banks and payment intermediary services and reported to tax authority monthly.

Roles of tax agent, commercial banks, payment intermediary services

To keep a key role for implementing the enforcement of declaration and withholding taxation.

If the FS fails paying taxes, the commercial banks and payment intermediary services responsible to deduct and to pay on behalf.

Licensed tax agents will also be authorized to perform the procedures under the services licensed.

However, the Government is assigned to provide further details on this legislation which has not available even with draft now. So, this is still an unknown situation on how the practice of handling the taxes situation of the non-PE FS will be charged.

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