

# Tax News

Tax updates for the period 1 October 2025 to 10 December 2025

## Singapore Updates

### **Finance (Income Taxes) Act 2025**

Singapore's Finance (Income Taxes) Act 2025 published on 8 December 2025 legislates Budget 2025 income tax proposals as well as other non-Budget changes, of which notable ones include a new deduction for green certificates/credits and rules for identifying related parties in transactions involving trusts and partnerships.

Budget changes include those providing for upfront certainty of non-taxation of gains on disposal of preference shares and a new deduction for payments under approved innovation cost-sharing agreements.

For a recap of the Budget changes, check out our Tax Bulletin [here](#).

### **New Circular on Transfer Pricing Guidelines (Eighth edition)**

The Inland Revenue Authority of Singapore (IRAS) issued the Eighth Edition of the Transfer Pricing Guidelines (TPG8) on 19 November 2025.

[Click here](#) for details.

These updated guidelines introduce several important changes and clarifications that may impact transfer pricing policies, documentation, and compliance requirements for your business operations in Singapore. For a better understanding of these developments, please refer to this [high-level summary](#) for the key updates and amendments contained within TPG8.

## **New Circular on Submission of Income Information by Commission-Paying Organisations**

IRAS issued a new e-Tax Guide titled 'Submission of Income Information by Commission-Paying Organisations' on 17 October 2025. The guide outlines the responsibilities of commission-paying organisations that have been notified by IRAS to collect, retain and submit identification and income information of self-employed persons.

[Click here](#) for details.

## **Classification of Foreign Entities for Singapore Income Tax Purposes**

On 30 October 2025, the IRAS added a new webpage on 'Classification of Foreign Entities for Singapore Income Tax Purposes'. IRAS generally applies a resemblance approach to determine the classification of a foreign entity for Singapore income tax purposes. A list of factors for determining whether a foreign entity is a company or a partnership under the resemblance approach has been set out for the first time together with a list of certain foreign entity structures and their preliminary classification as a company or a partnership.

[Click here](#) for details.

## **InvoiceNow Best Practice Guide**

InvoiceNow enables seamless digital communication between trading partners by providing standardised document formats and a secure connecting network that allows for buyer to supplier process digitisation and communication across various stages of the procure-to-pay (P2P) process. These touchpoints ensure the automation, accuracy, and efficiency of business transactions, reducing manual intervention and errors.

The Infocomm Media Development Authority (IMDA) has released an InvoiceNow Enterprise Best Practice guide to help businesses prepare for the adoption of InvoiceNow.

[Click here](#) for details.

## Goods and services tax

The IRAS webpage ‘GST registration under prospective basis - Extended grace period to begin charging GST’ was updated to indicate that businesses registering for GST under the prospective view are given a two-month grace period to begin charging GST, an extension from the previous one-month period.

[Click here](#) for details.

From 1 April 2026, the Beverage Container Return Scheme (BCRS) will be implemented in Singapore. The IRAS added a new webpage on ‘GST and BCRS Deposit’ on 2 October 2025. This page outlines the GST treatment and requirements for GST registered businesses affected by the BCRS.

[Click here](#) for details.

The IRAS webpage ‘Invoicing Customers’ was updated on 2 October 2025 to reflect the GST invoicing requirements for BCRS deposits, and again on 21 November 2025 to include changes as a result of the GST InvoiceNow requirements.

[Click here](#) for details.

On 31 October 2025, the IRAS revised its e-tax guide ‘GST Guide on Attribution of Input Tax (Ninth edition)’ for clarity concerning residual input tax.

[Click here](#) for details.

On 31 October 2025, the IRAS revised its e-tax guide ‘GST: Fringe Benefits (Thirteenth Edition)’ to clarify (i) the documents required to support input tax claims for Overseas Vendor Registration vendors, (ii) the deeming requirements regarding used uniforms and protective clothing and (iii) output tax is to be accounted based on open market value of the item in an updated Annex B

[Click here](#) for details.

The IRAS updated its webpage and issued a revised e-tax Guide ‘GST Advance Ruling System (Twelfth edition)’ on 18 Nov 2025 to update the timeline for the removal of summary of ruling on IRAS’ website and clarify the processing time needed for GST advance rulings.

[Click here](#) for details.

# International tax news

## OECD

### **OECD issued a 2025 update to the Model Tax Convention and its Commentary**

On 19 November 2025, the OECD published an update to its Model Tax Convention and related Commentary. Notable changes include:

- Remote Work (Article 5 Commentary): Guidance (including a 50% working time indicator and a 'commercial reason' test) as to when a home office can become a PE, affording clarity to employers implementing flexible working arrangements.
- Associated enterprises (Article 9 Commentary): Clarification on the application of different transfer pricing approaches to financial transactions
- Mutual Agreement Procedure (Article 25 Commentary): Provide signposts, in the context of dispute resolutions, for treaty states to consider the optional and streamlined approach for transfer pricing known as 'Amount B'.

[Click here](#) for details.

## Australia

### **Monthly Tax Update – November 2025**

View the latest Monthly Tax Update for recent news in the areas of corporate tax, employment tax, international tax, indirect tax, state taxes, superannuation, legislative, and other news.

[Click here](#) for details.

## China

### **Shanghai advance tax rulings: from pilot to official implementation - interpretation of the 2025 new measures**

On 24 October 2025, the Shanghai Municipal Tax Service, State Taxation Administration (hereinafter referred to as 'Shanghai Municipal Tax Bureau') issued the Administrative Measures for Advance Tax Rulings of Shanghai Municipal Tax Bureau (HuShuiBanFa [2025] No. 13, hereinafter referred to as the 'New Measures'), replacing the previous Administrative Measures for Advance Tax Rulings of Shanghai Municipal Tax Bureau (Trial) (HuShuiBanFa [2023] No. 33, hereinafter referred to as the "Pilot Measures").

[Click here](#) for details.

# India

## **Taxpayer's short-term capital gains on sale of Singapore entity shares not taxable in India under Article 13(5) of India-Singapore DTAA – Mumbai bench of the Tribunal**

The Mumbai bench of the Income-tax Appellate Tribunal ruled in favour of a non-resident Singapore taxpayer, holding that short-term capital gains (STCG) from the sale of Singapore entity shares to another Singapore entity are not taxable in India under Article 13(5) of the Double Taxation Avoidance Agreement between India and Singapore.

[Click here](#) for details.

## **Taxpayer satisfies Principal Purpose Test under Article 24A and long-term capital gains exemption benefit granted under Article 13(4A) of the India-Singapore DTAA – Mumbai bench of the Tribunal**

The Mumbai bench of the Income-tax Appellate Tribunal (Tribunal) ruled in favour of a Singapore based non-resident taxpayer, holding that it is not a shell or a conduit company. The Tribunal affirmed that the taxpayer had genuine commercial substance.

[Click here](#) for details.

## **Tax policy working paper on 'Enhancing certainty, transparency and uniformity in permanent establishment and profit attribution for foreign investors in India' – NITI Aayog**

The concepts of permanent establishment (PE) and profit attribution to a PE are fundamental to determining India's taxing rights over the business income of foreign companies. Ambiguities in PE rules and profit attribution methodologies have led to increased tax uncertainties and higher compliance burdens, which may have a tangible impact on foreign direct investment (FDI) and foreign portfolio investment inflows, resulting in making India a less attractive destination for capital.

In response to these challenges, the Government's Public Policy Think Tank – the NITI Aayog, through its Consultative Group on Tax Policy (CGTP) recently released a working paper recommending a comprehensive, multi-pronged reform strategy, with a key focus on enhancing certainty, transparency and uniformity in relation to PE and profit attribution for foreign investors. The paper seeks to, amongst other matters, introduce an optional, industry-specific Presumptive Taxation Scheme (proposed presumptive scheme or scheme) aligned with international best practices for foreign companies. This forward-looking framework is intended to enhance tax certainty, streamline compliance processes and bolster investor confidence, thereby securing and expanding India's tax base by attracting high-quality, sustainable FDI.

[Click here](#) for details.

# Malaysia

## Budget 2026 edition

Tax in Motion Budget Edition brings you the key tax proposals of Budget 2026 as announced by the Malaysian Prime Minister and Finance Minister on 10 October 2025.

[Click here](#) for details.

Tax in Motion Issue 3/2025 – Budget 2026 is a continuation of the Budget 2026 Edition and highlights additional tax proposals contained in the following:

- Finance Bill 2025
- Measures for the Collection, Administration and Enforcement of Tax Bill 2025

[Click here](#) for details.

# United States

## SEC action opens door to additional proliferation of crypto assets in exchange-traded and public funds

The Securities and Exchange Commission (SEC) on 17 September 2025 approved proposed rule changes to adopt generic listing standards for exchange-traded products (ETPs) that hold commodities, including crypto assets.

[Click here](#) for details.

# Vietnam

## Vietnam issued administrative procedures to implement global minimum tax regulations

On 21 October 2025, the Ministry of Finance issued Decision No. 3563/QĐ-BTC, officially introducing formal administrative procedures for multinational enterprises (MNEs) and their constituent entities operating in Vietnam to comply with Resolution No. 107/2023/QH15 and Decree No. 236/2025/NĐ-CP.

[Click here](#) for details.

## Other resources

### International Tax News – October 2025

International Tax News is designed to help multinational organisations keep up with the constant flow of tax developments. Among the topics featured in this month's edition are:

- Cyprus addresses dividends, interest, and royalties from EU-blacklisted and low-tax jurisdictions
- Israel publishes draft QDMTT legislation
- Belgian draft law amends the Pillar Two Law
- Brazil dividends taxation bill approved by the Chamber of Deputies

[Click here](#) for details.

### International Tax News – November 2025

International Tax News is designed to help multinational organisations keep up with the constant flow of tax developments. Among the topics featured in this month's edition are:

- Belgium extends QDMTT filing deadline
- Italy reintroduces hyper-tax depreciation
- New developments in asset management sector in Poland
- Singapore tax authority publishes guidance on the classification of foreign entities

[Click here](#) for details.

### Asia Pacific tax insights application

PwC has developed a one-stop tool that has comprehensive coverage of tax, business insights and investment locations across the Asia Pacific region.

[Click here](#) to download the free app and be part of PwC's digital journey.

### Tax policy bulletin

Drawing on our experience of tax policy issues and insight from relationships with organisations such as the OECD, we have put together a series of Tax policy bulletins. With analysis and insight on policy changes around the world, these bulletins are designed to help you stay up-to-date with the latest developments and explain what these changes mean for you and your business.

[Click here](#) for details.

### Understanding Base Erosion and Profit Shifting (BEPS)–a two-pillar solution

Understanding BEPS–a two-pillar solution reveals the latest tax developments evolving around a two-pillar solution and the key building blocks that are foundational to building up your readiness.

[Click here](#) for details.

# Let's talk

**Lennon Lee**  
Tax Leader  
+65 8182 5220  
[lennon.kl.lee@pwc.com](mailto:lennon.kl.lee@pwc.com)

**Falgun Thakkar**  
Transfer Pricing Leader  
+65 9634 7984  
[falgun.d.thakkar@pwc.com](mailto:falgun.d.thakkar@pwc.com)

**Ding Suk Peng**  
Workforce and Rewards Leader  
+65 9729 4016  
[suk.peng.ding@pwc.com](mailto:suk.peng.ding@pwc.com)

**Tan Ching Ne**  
Corporate Tax Leader  
+65 9622 9826  
[ching.ne.tan@pwc.com](mailto:ching.ne.tan@pwc.com)

**Kor Bing Keong**  
Goods and Services Tax Leader  
+65 9112 6982  
[bing.keong.kor@pwc.com](mailto:bing.keong.kor@pwc.com)

**Irene Tai**  
Partner, Corporate Tax  
+65 9756 8439  
[irene.cf.tai@pwc.com](mailto:irene.cf.tai@pwc.com)

**Tan Tay Lek**  
Partner, Corporate Tax  
+65 9179 2725  
[tay.lek.tan@pwc.com](mailto:tay.lek.tan@pwc.com)