

- Cyprus:** Amending Protocol of Double Tax Treaty between Cyprus and Germany
- Malaysia:** Rakyat and Economic Strategic Empowerment Program (PEMERKASA Stimulus Package)
- Nepal:** Impact of Change in Control - Tax Provisions of Nepal
- UAE:** Transformation of Investment Market through Ease of IPO Regulations



*In this issue:*

## Bangladesh

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### Law of Property Tax in Bangladesh

Bangladesh introduced law of property tax applicable solely for resident and non-resident Bangladeshi individual taxpayers. This legislation is not applicable for non-resident foreigner individuals working in Bangladesh.

Previously property tax was applicable for only resident apartment, flat, house property and net wealth of an individual. Finance Act 2020 inserted new legislation to expand territory of property tax for undisclosed property both commercial and residential establishments, land property and undisclosed cash balance and deposits in banks and other financial institutions of the country.

The previous legislation section 19BBBBB of Income Tax is still in effect. New legislation section 19AAAAA of the Ordinance is made effective from July 2020.

#### 孟加拉国之物业税法案

孟加拉国出台了只适用于孟加拉国居民和非居民个人纳税人的物业税法案。这项物业税不适用于在孟加拉国工作的非居民外国人。

以前的物业税只涵盖住宅单位、公寓、房产及个人净资产。2020年金融法案加入了新法案，扩大征税范围至未披露的商业和住宅单位、土地、未披露的银行现金余额以及在银行或其他金融机构之存款。

以前的所得税条例第19BBBBB章节仍然生效。新法案中第19AAAAA章节已于2020年7月开始生效。

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## Cyprus

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### Amending Protocol of Double Tax Treaty between Cyprus and Germany

On 5 March 2021, Cyprus ratified the amending protocol to the Double Taxation Avoidance Agreement (DTAA) as signed with Germany on 19 February 2021. The provisions of the protocol will be in force as soon as all relevant legal proceedings are completed.

#### 塞浦路斯和德国双重征税协定之补充议定书

在2021年3月5日，塞浦路斯批准与德国于2021年2月19日签署的塞德双重征税协定之补充议定书。相关法律程序完成后，修订将即时生效。

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## Greece

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### Greek Government plan to restart the economy through tourism

The second lockdown in Greece lasted much longer than the first. Also the cases and victims of the pandemic were much more than in March 2020 when the first cases were diagnosed in Greece and the first lockdown started. The aim is to speed up vaccination in May and June, which will allow the full opening of the economy.

Since the beginning of 2021, it has been planned to open the economy with the opening of tourism, which is the strongest branch of Greece. The forecasts show revenues of 8 billion euros from tourism.

#### 希腊政府计划透过旅游业重启经济

希腊的第二次封城比第一次的持续更长时间。此外，新冠肺炎确诊病例和患者数目皆比2020年3月希腊出现第一例感染和第一次封城时多。希腊目标在5月和6月加快国民接种疫苗速度，以全面开放经济。

自2021年初，希腊一直计划透过旅游业开放经济。旅游业是希腊支柱产业，预计旅游业能为希腊带来80亿欧元收入。

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# Malaysia

## Rakyat and Economic Strategic Empowerment Program (PEMERKASA Stimulus Package)

On 17 March 2021, Malaysia Prime Minister, YAB Tan Sri Dato' Haji Muhyiddin Bin Haji Mohd Yassin, announced Rakyat and Economic Strategic Empowerment Program (PEMERKASA Stimulus Package) with the following objectives:

- Controlling COVID-19 pandemic
- Steering economic recovery
- Strengthening the country's competitiveness
- Ensuring inclusivity

### 人民及经济强化配套

马来西亚首相YAB Tan Sri Dato' Haji Muhyiddin Bin Haji Mohd Yassin于2021年3月17日，宣布了人民及经济强化配套，目的为：

- 控制新冠疫情
- 推动经济复苏
- 加强国家竞争力
- 落实地区包容性

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# Nepal

## Impact of Change in Control - Tax Provisions of Nepal

The tax will be levied to old shareholders (as a capital gain tax on disposal of the shares) and the company (as a gain for its deemed disposal). Levying capital gain tax to the taxpayer seems to be logical, however, the process of taxing the entity with no real added benefit to the entity itself just acts as a burden to its operation.

### 控制权变更的影响-尼泊尔之税收规定

公司旧股东（作为处置股份之资本利得税）和公司（作为视同处置的收益）会被征收税项。向纳税人征收资本利得税看似合乎逻辑，然而，向实体征税的过程对实体本身没有实际的附加利益，只是对其经营造成负担。

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# Pakistan

## The Tax Laws (Second Amendment) Ordinance 2021

### Key Changes

- Exemption for inter corporate dividend for group relief has been withdrawn.
- Upper limit for tax break for the charitable donors has been reduced.
- Registered welfare organization and international NGO'S can avail tax credit in more simplified manner with certain registration requirements.
- Tax exemptions for certain businesses are converted to full / partial tax credit regime and can avail tax breaks with notified compliances. Relevant SROs and provisions are to be notified so that businesses get issued exemption certificates and may not suffer tax withholdings.
- Withdrawal of tax credit on enlistment on stock exchange.
- Several specific and time bound tax exemptions and concession in the Second Schedule are withdrawn and converted into tax credit regimes.
- Certain penalty provisions are being rationalized through this Ordinance.

### 2021年税法条例（第二修正案）

#### 主要变化

- 取消对集团内部股息之减免。
- 降低慈善捐款者之税务优惠上限。
- 注册福利组织和国际非政府组织在符合某些登记要求后，能够以更简化的方式享受税务抵免。
- 某些企业之税务豁免将转换成全部/部分税务抵免制度。相关企业可在符合规定的情况下享受税收抵免。企业应根据相关法定通知令及规定通知有关当局，以便获得免税证明及避免缴交预扣税。
- 取消企业在证券交易所上市的税收抵免。
- 撤销附表2中的部分有时限之税务豁免和减免措施，并换成税务抵免制度。
- 部分罚则通过本条例被合理化。

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# UAE

## Transformation of Investment Market through Ease of IPO Regulations

The Securities and Commodities Authority (SCA) has announced, on 2nd November 2020, about the amended Offering Rules, enabling UAE free zone companies to list and offer their shares to the public through IPO (Initial Public Offering) in the UAE, to raise equity finance. It would certainly boost the investment sentiments and support the sustainable growth across the business sectors.

The following conditions and features applicable to such offerings by a free zone company:

- the company must be in the form of a Public Joint Stock Company (PJSC or equivalent) and have a minimum capital of AED 20 million (fully subscribed and paid-up). Public Joint Stock Company is a company whose capital is divided into negotiable shares of equal value, where the founder underwrite the portion of these shares while the other shares are offered to the public and a partner in such a company shall be only liable to the extent of his shareholding in the company
- offering of at least 25%, but not more than 75%, of the company's share capital in the UAE "onshore" public offer (with the upper limit at 100% in offerings directed only to qualified investors)
- offering can be conducted via public subscription or a book building process

### 通过放宽IPO监管来转型投资市场

证券和商品管理局(SCA)于2020年11月2日宣布了修订后的发行规则，当中允许阿联酋自由区企业通过首次公开募股(Initial Public Offering)在阿联酋上市及向公众发行股票，以筹集股权融资。相信修订后的发行规则能提升投资者信心以及支持商界达至可持续增长。

修订后的发行规则适用于符合以下条件和特点的自贸区企业:

- 企业必须是公开合股公司(PJSC或同类公司)，资本最低为2000万迪拉姆(已认购和缴清)。公开合股公司指公司资本被分为价值相等及可转让的股份。创办人只需包销部分股份，其余股份则公开发行。公司合伙人对公司所承担的责任按他本人的持股份额而定。
- 在阿联酋“在岸”公开发行至少25%，但不超过75%的公司股本(仅针对合格投资者的发行上限为100%)。
- 发售可以通过公开认购或累计投标方式进行。

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# UK

## Increase in Stamp Duty Land Tax (SDLT) payable on purchase of properties by non-resident individual in UK

There is a strong demand for residential homes in the UK, with demand exceeding supply. The UK government has been trying to address this issue by initially introducing the 3% additional SDLT for purchasing of a second home. From 1 April 2021 the UK government introduced an additional 2% rate of SDLT that will apply to non-UK resident purchasers of residential property in England and Northern Ireland. Individual buyers are non-UK resident in relation to the transaction if they are not present in the UK for at least 183 days during the 12 months before their purchase. The additional 3% (second residential property rate) and 2% (SDLT surcharge to non-residents) would be an additional charge to the stamp duty payable at normal rates.

Due to the COVID pandemic the UK government is supporting the housing market by temporarily increasing the starting level at which SDLT is payable.

### 非英国居民购买房产应缴纳的印花税(SDLT)增加

英国购买房屋需求强劲，住宅供不应求。英国政府一直尝试通过对购买第二套住宅之人士征收3%的印花税来解决此问题。从2021年4月1日起，英国政府会对在英格兰和北爱尔兰购买房屋的非英国居民征收额外2%的印花税。如果个别置业者在交易完成前12个月内在英国的居住时间少于183天，将在交易中被视为非英国居民。额外的3%（第二套住宅物业税率）和2%（非英国居民的额外印花税）是基础印花税率之外的附加费用。

在新冠疫情下，英国政府通过暂时提高印花税起税点来支持房地产市场。

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# Bangladesh

## Law of Property Tax in Bangladesh

### The Legislation:

The purpose of the law of property Tax is to collect revenue for the government exchequer on the hand and bring transparency in property sector of the economy of the country.

The law of property tax illustrated under section 19AAAAA as envisaged in the Income Tax Ordinance are as under:

### **Section 19AAAAA:**

Special tax treatment in respect of undisclosed property and cash etc.

- **Sub-section (1):**

Notwithstanding anything contained in this Ordinance or any other law for the time being in force, no question as to the source of any undisclosed movable property and immovable property shall be raised by any authority if an individual assessee pays, before the submission of return or revised return of income during the period between the first day of July 2020 and the 30th day of June 2021 (both days inclusive) tax at the rate specified in this section as prescribed by the government.

#### **Movable property:**

For the purpose of the legislation movable property includes cash deposits, bank deposits, financial schemes and instruments, all kinds of deposits or saving deposits, saving instruments and certificates, possessed by any individual taxpayer anywhere in Bangladesh.

#### **Immovable property:**

For the purpose of this section immovable property includes and land, building or apartment possessed by any individual taxpayer anywhere in Bangladesh.

- **Sub-section (2):**

The provision of this section shall not apply to cases where any proceeding under any provisions of this Ordinance or any other law has been drawn on or before the day of submission of return or revised return.

The law of property tax illustrated under section 19BBBBB as envisaged in the Income Tax Ordinance are as under:

### **Section 19BBBBB:**

Special tax treatment in respect of investment in building, apartment etc.

- **Sub-section (1):**

Notwithstanding anything contained in this Ordinance, source of any sum invested by any person, in the construction or purchase of any building or apartment shall be deemed to have been explained, if the assessee pays before the assessment for the relevant assessment year in which the investment is completed tax at the rate specified in this section as prescribed by the government.

- **Sub-section (2):**

The rate of tax mentioned in sub-section (1) shall be twenty percent higher in case where the assessee already owns a building or apartment in the City Corporation area before such investment is completed or the assessee makes such investment in two or more building or apartments.


- **Sub-section (3):**

The rate of tax mentioned in sub-section (1) shall be one hundred percent higher in case, where

- A notice under section 93 has been issued before submission of such return of income for the reason that any income, asset or expenditure has been concealed or any income or a part thereof has escaped assessment.

- **Sub-section (4):**

The provision of this section shall not apply where the source of such investment, made by the assessee for the construction or purchase of such building or apartment is-

- Derived from any criminal activities under any other law for the time being in force or
- Not derived from any legitimate source. 

### **Reference**

Income Tax Ordinance, 1984

# Cyprus



## **Amending Protocol of Double Tax Treaty between Cyprus and Germany**

On 5 March 2021, Cyprus ratified the amending protocol to the Double Taxation Avoidance Agreement (DTAA) as signed with Germany on 19 February 2021. The provisions of the protocol will be in force as soon as all relevant legal proceedings are completed.

The protocol affects minimum standards of the Base Erosion and Profit Shifting (BEPS) actions of the Organization for Economic Co-operation and

Development (OECD), together with other areas as described below:

### Newly introduced preamble of DTAA

The preamble specifies that the DTAA intends to eliminate double taxation with respect to the taxes covered by this Agreement without creating opportunities for non-taxation through tax evasion or avoidance (including through treaty-shopping arrangements aimed at obtaining reliefs provided in this agreement for the indirect benefit of residents of third States).

### Business profits

Article 7 of the DTAA was amended to be in line with the respective wording in the 2017 OECD Model Tax Convention and away from the UN Model Tax Convention.


With this article, taxing rights are allocated with respect to the business profits of an enterprise of a Contracting State to the extent that these profits are not subject to different rules under other Articles of the DTAA.

### Entitlement to benefits

Article 27 was introduced, that deals with the application of the DTAA in special cases. Specifically, the treaty implements the Principal Purpose Test (PPT) in response to the BEPS Action 6 - Prevention of tax treaty abuse.

Based on the above article, no benefit would be granted to the taxpayer under this agreement, unless it can be established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provision of this DTAA.

### Exchange of information

Subparagraph 5.4 of paragraph 5 of the protocol to the treaty was deleted from the treaty. This paragraph obliged contracting states to provide information regarding personal data upon request of the other state, in cases where the requested contracting state does not need such information for its own tax purposes. 

# Greece



## Greek Government plan to restart the economy through tourism

The second lockdown in Greece lasted much longer than the first. Also the cases and victims of the pandemic were much more than in March 2020 when the first cases were diagnosed in Greece and the first lockdown started. The aim is to speed up vaccination


by receiving new doses of vaccines in May and June, which will allow the full opening of the economy. Now all ages from 30 years and over have the opportunity to be vaccinated and are expected to start vaccination ages 18-29.

Since the beginning of 2021, it has been planned to open the economy with the opening of tourism, which is the strongest branch of Greece. The forecasts show revenues of 8 billion euros from tourism.

In the general sector of the economy the Greek government has paid off its IMF loans early, helping to improve the country's credit standing and saving on interest charges. So far, Greece has paid back 75%, or €6 billion, of the €8 billion in IMF loans received up through the summer of 2019. Re-upgrade by S&P with forecasts for recovery in 2021 4.9% and in 2022 5.8% helped the issuance of a new bond by the Greek state. Investors showed confidence in the Greek economy and thus raised 3 billion euros with an interest rate of 1.568%.

In the area of taxation, the change of the tax rates of legal entities is implemented with their gradual reduction from 29% in 2018 to 26% in 2021 and 25% in 2022. There are thoughts of further reductions if high growth rates are achieved in the coming years. Also interesting is the alternative way of taxation for those who want to bring their tax residence in Greece. The government's financial staff has designed a framework for the categories of taxable employees, retirees and investors with favorable tax rates if they declare a tax residence in Greece. The aim is to expand the tax base and increase government revenues.

In the energy field, Greece is implementing its commitments to the EU to reduce carbon dioxide. Attracting investors in green energy is one of the government's primary goals. The agreement of the company HELPE with the company Juwi for the construction of a photovoltaic park in western Macedonia is one of the largest projects that will be implemented. The goal is to reach 600 MW of energy production by 2025. This will replace the energy produced by the lignite plants that shut down. There are plans to create many small wind farms in the Aegean islands and Crete. Also important in the energy sector is the agreement between Greece, Cyprus and Israel on the creation of an underwater gas pipeline. All investment projects will support the labor market and create thousands of jobs.

The next steps for restarting the economy are already always taken at the level allowed by the epidemiological data. All indications are that the pandemic will subside but will not disappear in 2021. However the vaccination campaign will help the global community return to more economic and social activities. 

# Malaysia



## Rakyat and Economic Strategic Empowerment Program (PEMERKASA Stimulus Package)

The following key measures were announced by the Prime Minister:

### 1. Further deduction for rental expense on premises and hostel for employees

Manufacturing companies and service companies related to manufacturing that participate in the Safe@Work initiative under the Ministry of International Trade and Industry (MITI) in relation to Standard Operating Procedure on preventive measures and case management through the creation of Safe Work Bubble will be given a further tax deduction for rental expenses on premises and hostel for employees.

### 2. Further tax deduction for employers on expenditure incurred on COVID-19

Double deduction is given to employers for expenses incurred on COVID-19 screening of its employees up to 31 December 2021.

### 3. Deferment of tax instalment payment for tourism sector

Deferment of tax instalment payments due during the period 1 April 2021 to 31 December 2021 for companies in the tourism sector and selected businesses such as cinemas and spas.

### 4. Extension of tax incentive for tour operators

Tax exemption on statutory income derived from domestic and group inclusive tours is extended up to year of assessment 2022.

### 5. Extension of service tax and tourism tax exemptions

Exemption of service tax on accommodation and related services provided by hotel and other accommodation operators is extended until 31 December 2021.

Exemption of tourism tax on tourists who stay at accommodation premises provided by operators of accommodation premises is extended until 31 December 2021. 🇲🇾

## Reference

Official Portal of Prime Minister's Office of Malaysia  
[www.pmo.gov.my](http://www.pmo.gov.my)

# Nepal



## Impact of Change in Control - Tax Provisions of Nepal

A company is an independent legal entity whose existence is separate from its shareholders. A change in control occurs when the majority of its ownership is transferred which generally doesn't impact the company's legal existence. However, in case there is a change in control in Nepal, the tax system perceives that the old controlled entity is deemed to have been disposed at the market value and a new controlled entity is formed (disposal with retention).

The Income Tax Act allows, in limited circumstances, direct transfer of tax attributes to and from entities. However, Section 57 of the Income Tax Act 2058 (2002 AD) is the opposite as it seeks to prevent an indirect transfer of tax attributes of an entity to other persons who do not own the entity or are not commonly owned by the entity. Under Section 57, where there is a change of 50% or more in the underlying ownership of an entity (other than insurance, banks and financial institutions) as compared to the ownership three years previously on the moving basis, the entity is treated as realizing any assets owned by it and any liabilities are borne by it immediately before the change and is required to pay tax on such realized gains. Shareholdings of owners holding 1% or more shares and their associated person shall be considered for calculating the change in control. Certain tax attributes such as carried forward of losses that are available before a change of control can no longer be offset against current year (nor future) tax profits. The period before and after the change of control of a particular income year shall be treated as two separate income years for taxation resulting in two different tax returns for each period.

One of the major reasons behind the introduction of this anti-avoidance provision is to avoid misutilization of tax losses and tax credits of an entity through aggressive tax planning schemes such as loss shifting schemes, schemes shifting profits to a loss-making party, schemes circumventing time restrictions on the carry-over of losses and so on. A 2011 study of 17 countries conducted by OECD showed that most countries have rules restricting the use of losses in cases of changes of ownership and/or of activity, although some contain exceptions for internal reorganizations.

## Implication to an Entity

Due to the application of this Section, the tax will be levied to old shareholders (as a capital gain tax on disposal of the shares) and the company (as a gain for its deemed disposal). Levying capital gain tax to the

taxpayer seems to be logical, however, the process of taxing the entity with no real added benefit to the entity itself just acts as a burden to its operation. The provisions of this section apply in the cases of mergers and acquisitions, increasing share capital or inviting new shareholders and venture capital firms. 🇵🇰

# Pakistan



## The Tax Laws (Second Amendment) Ordinance 2021

The Federal Government on 22nd March 2021 promulgated Tax Laws (Second Amendment) Ordinance, 2021 to amend Income Tax Ordinance, 2001. Through this ordinance, the government aims to expend tax revenue by Rs. 140 billion for the current fiscal year and has withdrawn various tax exemptions. Some of the amendments are given below:

### 1. Tax Credits on enlistment on any stock exchanged

Previously, the tax credit equals to 20% of the tax payable for 4 years was available on the enlistment of the companies on a registered stock exchange in Pakistan. Through this ordinance, this exemption has been withdrawn.

### 2. Tax Credits for hiring fresh graduates

Tax credit for employing fresh graduates was introduced through the Finance Act, 2019 whereby the tax credit was allowed at an average rate of tax on the amount of salary paid to the fresh graduates at a maximum of 5% of the taxable income. The said tax credit has been withdrawn through this ordinance.

### 3. 100% Tax Credit for certain persons under section 65F

Previously, the income of certain persons was exempted under the second schedule is now converted into 100% tax credit.

*65F : (1) Income of following taxpayers shall be allowed a tax credit equal to one hundred percent of the tax payable under any provisions of this Ordinance including minimum and final taxes for the period, to the extent, upon fulfillment of conditions and subject to limitations detailed as under: -*

*(a) persons engaged in coal mining projects in Sindh supplying coal exclusively to power generation projects;*

*(b) a startup as defined in clause (62A) of section 2 for the tax year in which the startup is certified by the*

*Pakistan Software Export Board and the following two tax years;*

*(c) persons deriving income from exports of computer software or IT services or IT enabled services up to the period ending on the 30th day of June, 2025:*

*Provided that eighty per cent of the export proceeds is brought into Pakistan in foreign exchange remitted from outside Pakistan through normal banking channels.*

*(2) The tax credit under sub-section (1) shall be available subject to fulfillment of the following conditions, namely:-*

*a) return has been filed;*

*b) tax required to be deducted or collected has been deducted or collected and paid;*

*c) withholding tax statement for the immediately preceding tax year have been filed; and*

*d) sales tax returns for the tax periods corresponding to relevant tax year have been filed.*

### 4. Tax credit for charitable organizations

Previously, donations paid to charitable organizations fell under two categories. The first one is specified in Clause (61) Part I of the Second Schedule, whereby the donors are allowed as a direct deduction from the total income. In the second case, donations paid to organizations covered under section 61 were allowed as a tax credit by way of reduction in tax liability at an average rate of tax.

Through this ordinance, Clause (61) Part I of the Second Schedule has now been replaced with the newly inserted Thirteenth Schedule where tax credit on donations made to such organizations would be allowed instead of a straight deduction.

### 5. First Year Allowance

Previously, industrial undertaking set-up in specified rural and underdeveloped areas and owned and managed by a company was allowed a first-year allowance at the rate of 90% of the cost of plant, machinery, and equipment installed instead of initial allowance at the rate of 25%.

Through this Ordinance, this allowance has been withdrawn.


### 6. Tax exemption on Inter-corporate group dividends

Previously, dividend income was exempt derived by a company/recipient is eligible for group relief under section 59B in case of the following group structure:



(a) Holding company and 100% owned subsidiaries entitled to group taxation and filing group return (Clause 103A); and

(b) Holding company and subsidiary companies eligible for group relief under section 59B (Clause 103C).

Through the Ordinance, the exemption for inter-corporate dividend stated in (b) above has been withdrawn. 

# UAE



## Transformation of Investment Market through Ease of IPO Regulations

The Securities and Commodities Authority (SCA) has announced, on 2nd November 2020, about the amended Offering Rules, enabling UAE free zone companies to list and offer their shares to the public through IPO (Initial Public Offering) in the UAE, to raise equity finance.

Formerly, only Public Joint Stock Companies (PJSC) established in the UAE had the privilege to offer their shares in the UAE. However, due to the recent amendment to the Offering Rules, free zone companies are now eligible to offer their shares to the public provided that the corporate regulations of the governing free zone specifically allows the incorporation of the right corporate vehicle (a Public Limited Company or PLC), which qualifies for a public offering.

The free zone company that wishes to offer shares to the public under the New Regulation must take the legal form of a joint stock company or a legal form that has characteristics similar to that of the joint stock company under the UAE Commercial Companies Law. This entity has no limit on the number of shareholders it may have, and it may list its shares on any of the following exchanges, provided that the PLC has a share capital of AED 20 Million:-

1. Dubai Financial Market (DFM)
2. Abu Dhabi Securities Exchange (ADX)
3. Nasdaq Dubai

On 14 March 2021, Dubai Airport Free Zone Authority (DAFZA), in response to the amendment to the Offering Rules, has issued new Implementing Regulations for the free zone companies aspiring for IPO in the UAE.

To become a DAFZA PLC, the below cases may be considered:

- a. An existing free zone with limited liability may be converted to a PLC
- b. Incorporate a new PLC, or;
- c. An existing free zone branch may be converted to a PLC

Ms. Amna Lootah, Assistant Director General, DAFZA, said: "The inclusion of free zone companies as well as SMEs in the Dubai Financial Market and Nasdaq Dubai Growth Market is a qualitative addition to the financial, regulatory and legislative system that the emirate of Dubai provides to investors in general. It was also designed to attract international companies within the free zones in Dubai and facilitate their growth and expansion, as they are an important element that drive exceptional growth and rapid transformation across various sectors."

"Through various initiatives, DFM and Nasdaq Dubai will contribute to support SME's as well as large companies by allowing them access to emerging investors and many other investments opportunities. The partnership will also reinforce Dubai as an attractive infrastructure for the local, regional and international markets and will provide efficiency, effectiveness and flexibility to support and protect the investment environment and the business community within the free zones in the coming years," Ms. Lootah added.

Hassan Al Serkal, CEO of DFM said: "The capital markets in Dubai have successfully created a world-class infrastructure and regulations that offer flexible IPO and listing options, as part of the relentless efforts to fortify Dubai's leading and efficient role in empowering businesses in various economic sectors and support their sustainable growth. We are pleased to collaborate with DAFZA, the key strategic partner in implementing this initiative, to keep free zone-based companies posted on IPO and listing opportunities on DFM's Main Market, enabling them to raise the necessary funds for implementing strategic expansion plans. The DFM-listed companies have raised **AED 77 billion** by implementing IPOs and Rights Issues on the market. Additionally, the listing also strengthens issuers presence and links with various types of investors."

Hamed Ali, CEO of Nasdaq Dubai and Deputy CEO of DFM said: "The Nasdaq Dubai Growth Market, scheduled for launch early next year as one of the Dubai Future District initiatives, the largest future economy specialized area in the region, provides emerging companies and SMEs in the UAE and beyond with unique IPO and listing opportunities. The imminent market is supported by a comprehensive regulatory framework for seamless and flexible listing that enables companies to reinforce growth through the IPO route. The Nasdaq Dubai Growth Market also provides

investors with lucrative and diversified investment opportunities in a wide range of high growth emerging and new economy companies."

This new initiative of the UAE Government and DAFZA, is certainly another providential and excellent opportunity for investors around the world, to setup a (100% foreign ownership) free zone company and offer their shares to the public by registering with the any of the three Stock Exchanges. 🇦🇪

### Reference

<https://www.mediaoffice.ae/en>

<https://www.dafz.ae/en/dafza-dfm-and-nasdaq-dubai-organize-webinar-for-free-zone-companies-about-ipo-and-listing-opportunities-in-dubai/>

# UK



## Increase in Stamp Duty Land Tax (SDLT) payable on purchase of properties by non-resident individual in UK

On 8 July 2020, the Chancellor announced an immediate SDLT holiday until April 2021 on the first £500,000 paid for a residential home in England or Northern Ireland, this was further extended in the March 2021 budget announcement to 30 June 2021. A UK resident individual who is not a homeowner buying a home valued up to £500,000 would pay no SDLT, however if they already owned a residential property then the person would pay 3% SDLT surcharge applied (introduced on 1 April 2016). There was a further change coming into effect from 1 April 2021 which means that non-UK residents will pay rates that are 2% higher than those that apply to purchases made by UK residents. For example, an overseas resident individual would have to pay 5% additional SDLT (3% additional property surcharge + 2% non-resident rate) if they owned a residential property either in the UK or abroad.

### If you're married or in a civil partnership

If you're buying the property together, then as long as you are not separated and neither of you is acting as a trustee of a settlement, if one of you is UK resident in relation to the transaction then you are both treated as UK resident in relation to the transaction therefore the 2% surcharge would not apply.

### Rates from 8 July 2020 to 30 June 2021

You can also use this table to work out the SDLT for the purchase price

Property or lease premium or transfer value	SDLT rate (UK resident)	SDLT rate (Non UK resident) <u>not owning another residential property</u>	SDLT rate (Non-UK resident) <u>owning another residential property</u>
Up to £500,000	0%	2%	5%
The next £425,000 (the portion from £500,001 to £925,000)	5%	7%	10%
The next £575,000 (the portion from £925,001 to £1.5 million)	10%	12%	15%
The remaining amount (the portion above £1.5 million)	12%	14%	17%

**Example:** You are non-resident in the UK and own a home overseas. In May 2021 you buy a house in UK for £1,025,000. The SDLT you owe will be calculated as follows:

- 5% on the first £500,000 = £25,000
- 10% on the second band £425,000 = £42,500
- 15% on the remaining £100,000 = £15,000
- **Total SDLT = £82,500**

### SDLT Transitional rate changes to the bands

The government has introduced a gradual transition, to avoid a shock to the housing market with the SDLT 0% band will be lowered to £250,000 from 1 July 2021 to 30 September 2021 and from 1 October 2021 the SDLT 0% band will be back to the pre 8 July 2020 level of up to £125,000. (Residential property rates and how the bands work can be found at <https://www.gov.uk/stamp-duty-land-tax/residential-property-rates>).

Please remember the 2% non-resident surcharge and/or 3% additional property surcharge will still apply to the above rates.

**Important:-** To ensure that you benefit from the lower SDLT bands you have to complete the purchase within the discounted period and if the transaction is outside this period the SDLT is chargeable at the rate applicable on the day of the transaction. 🇦🇪

# International Tax Panel



**Malaysia**

**LL KOONG**

Tel: +603 2166 2303

**ITP Chairman**



**China**

**CHEN LAN**

Tel: +86 898 32802332

**ITP Vice-Chairman**



**Italy**

**ALESSANDRA BITETTI**

Tel: +39 02 76004040

**ITP Vice-Chairman**



**United Kingdom**

**PETER McMAHON**

Tel: +44 (0)20 8458 0083

**ITP Vice-Chairman**



**Bangladesh**

**BABUL RABBANI**

Tel: +880 01715260585



**Belarus**

**VOLGA KOVTUN**

Tel: +375 29 857 91 37



**Cambodia**

**NEOH BOON TOE**

Tel: +855 17 363 303



**China**

**REDSTAR LIANG**

Tel: +86 10 8588 6680



**China**

**ZHAO SHI FENG**

Tel: +86 10 8588 6680



**Cyprus**

**ADONIS THEOCHARIDES**

Tel: +357 22 670680



**Egypt**

**AMR RABEA**

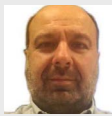
Tel: +202 26910072



**Germany**

**ACHIM SIEGMANN**

Tel: +49 7132 968 58



**Greece**

**GEORGE ATHANASIOU**

Tel: +0030 210 8325958



**India**

**HEMANT JOSHI**

Tel: +91 22 4221 5362



**Indonesia**

**HERU PRASETYO**

Tel: +6221 2305569



**Japan**

**HIROYUKI YAMADA**

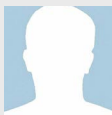
Tel: +81 3 3519 3970



**Macau**

**JACKSON CHAN**

Tel: +853 2856 2288



**Madagascar**

**FENOSOA RAMAHALIARIVO**

Tel: + 261 20 222 9753



**Mauritius**

**JAMES HO FONG**

Tel: +230 210 8588



**Nepal**

**BISHNU PRASAD BHANDARI**

Tel: +977 14433221



**New Zealand**

**GEOFF BOWKER**

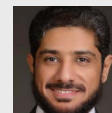
Tel: +649 522 5451



**Pakistan**

**ABDUL RAHIM LAKHANY**

Tel: +92 21 35674741-4



**Saudi Arabia**

**RASHED AWAJI**

Tel: +966 11 2290 444



**Singapore**

**VIVIENNE CHIANG**

Tel: + 65 6603 9813



**Taiwan**

**KEN WU**

Tel: +886 2 8772 6262



**Turkey**

**UGUR AKDOGAN**

Tel: +90 533 457 03 47



**UAE**

**MAHAVIR HINGAR**

Tel: + 971 4 355 9993

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