

July 14, 11 | Singapore/Spain

Investing from Spain - Use of a Singapore Holding Company
On April 13, 2011, Singapore and Spain signed an agreement regarding the avoidance of double taxation ("Singapore-Spain DTA"). Spanish businesses may wish to rely on the Singapore-Spain DTA and use Singapore as a base to invest into other Asian jurisdictions through a Singapore holding company. - [Continue Reading](#)

July 14, 11 | The Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act (FATCA) was enacted on March 18, 2010, by the US Government as part of the Hiring Incentives to Restore Employment (HIRE) Act. It is another tax-enforcement tool of the federal government to address tax evasion by further pushing for tax compliance by US taxpayers who have foreign bank accounts and assets in foreign financial institutions, or substantial interests in foreign non-financial entities. - [Continue Reading](#)

July 14, 11 | UK Coalition Government proposes statutory test of tax residency in the UK

The UK Coalition Government provided good and bad news in its two consultations paper issued on June 17, 2011. The first relates to the remittance basic charge for UK-resident non-domiciles, and indicates that the UK Government is genuinely interested in removing barriers to investment in the UK. The second brings the hope of certainty with a proposed new statutory definition of UK tax residency. - [Continue Reading](#)

July 5, 11 | Offshore Manufacturing - Lighting seeks the right to appeal to the Court of Final Appeal

The Inland Revenue Department continues its fight against Hong Kong manufacturers. Again its target is the case of CIR v CG Lighting Limited. It was no surprise that the Court of Appeal found in favour of the Commissioner of Inland Revenue; indeed, most interested parties appreciated that the Court of Appeal was only a stepping stone to the Court of Final Appeal ("CFA"). What was not anticipated was that the CIR was not prepared to agree to an automatic right of appeal to the CFA. - [Continue Reading Roddy's Opinions](#)

July 5, 11 | The Hong Kong Government rejects the introduction of group relief for tax losses

In March this year, Professor KC Chan, the Secretary for Financial Services and the Treasury, explained that as the "group loss relief" suggestion involved a number of complicated issues, it was not suitable for Hong Kong's "Simple tax regime" Roddy asks whether this is nothing more than a poor excuse for the Government's failure to conduct a thorough review of the issue. - [Continue Reading Roddy's Opinions](#)

July 5, 11 | The use of taxation for social engineering - is this appropriate?

The introduction of a new Special Stamp Duty, the increase in First Registration Tax and the increase in duty on tobacco products are examples of the use of the tax system for purposes other than the collection of revenue. Whilst this is a quick fix, does it really address the underlying social problems? - [Continue Reading Roddy's Opinions](#)

July 5, 11 | The determination of the location of the source of commission income

The Commissioner of Inland Revenue has lost a case on the question of the location of the source of commission income. The Court of First Instance dismissed the Commissioner's attempt to use the "brain analogy" as a means applying a "totality of facts" concept to determine the source of the taxpayer's commission income. The decision in this case, CIR v Li and Fung Trading Limited, is consistent with the earlier decision of the Court of Final Appeal's judgment in ING Baring Securities (Hong Kong) Ltd v CIR (2007). The Commissioner has appealed the decision to the Court of Appeal. - [Continue Reading Roddy's Opinions](#)

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Roddy's Rant

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