

March 2021

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*This edition of Global Insights contains tax, legal and business news, insights and perspectives we collected and compiled from our member firms and collaborating firms throughout the month of March.*

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## Global Webinars

- Nigeria  
**Transfer Pricing Implications of COVID-19 Pandemic for Businesses in Africa & Middle East Region**  
 This webinar discusses some of the challenges posed by the COVID-19 pandemic from a transfer pricing (TP) perspective, the guidance issued by the OECD, and how businesses can navigate these issues to mitigate their TP risk exposure during these uncertain times. [Learn More](#)
- Slovakia  
**Construction Law: Current Challenges and Necessary Changes**  
 The webinar aims to provide a brief overview of the historical background focusing on fundamental legislative changes and predominantly draw attention to the need for a new concept stemming from market requirements and application practices. [Learn More](#)
- Spain  
**Advantages and Opportunities Derived from the Agreements Between Spain and Venezuela**  
 The webinar, with Andersen Global's collaborating firm in Venezuela LEGA, discusses opportunities arising from the agreements between Spain and Venezuela. [Learn More](#)
- Spain  
**International Forum Between Spanish and American Producers – MEDIA: Globalization of the Industry**  
 Andersen in Spain is leading a new international project to promote and support collaboration between the United States and Europe in order to facilitate the integration of different markets. [Learn More](#)
- Spain  
**Next Generation EU Funds: The Recovery and Resilience Mechanism as a Key Tool for Member States' Economic Recovery and Transformation**  
 Andersen held a webinar with representatives of the European Commission and the Permanent Representation of Spain to the European Union to analyze the state of play of the implementation process of the Recovery and Resilience Mechanism. [Learn More](#)
- Spain  
**Amendments to the General Law for the Defence of Consumers and Users**  
 The following webinar is organized by *Economist & Jurist* on the amendments to the General Law for the defence of consumers and users. [Learn More](#)

## Africa

### Mauritius

- **Tax Alert: Statement of Practice SP 22/21**  
 The following presents Prism Chambers' commentary on the Statement of Practice issued by the Mauritius Revenue Authority on the Partial Exemption Regime (PER). [Read More](#)

### Nigeria

- **Key Considerations for Family Business Succession**  
 This article highlights some of the critical success factors that owners/managers of family businesses need to be aware of to ensure a smooth and effective transition to the next generations. [Read More](#)

## Australia

- **Monthly Tax Update: March 2021**

The following provides recent updates in legislative, tax developments in the areas of corporate tax, individual tax and international tax, as well as the Australian Taxation Office's (ATO) recent activities. [Read More](#)

## Central Asia

### Kazakhstan

- **First Airport in Kazakhstan Constructed Under PPP Model**

Turkistan International Airport (CIT) is the first newly constructed airport based on the PPP model. [Read More](#)

- **New Environmental Code: What to Expect?**

The New Environmental Code was signed on January 2, 2021, aiming to introduce the new mechanisms for environmental protection. The Code shall come into force on July 1, 2021. [Read More](#)

- **PPP Law Version 2.1: Must Know Latest Amendments to the PPP Legislation**

The following is an overview of the most significant amendments to the PPP legislation in Kazakhstan introduced in 2021. [Read More](#)

- **Due Diligence of a Renewable Energy Project – Why Is It Important?**

The interest of investors in the sector is growing every year, this leads to an increased in the number of acquisitions of companies involved in the production of electricity from renewable energy sources. For legal due diligence, it is recommended to engage technical, financial and legal consultants to analyze the issues and risks associated with the activities of the acquired asset. [Read More](#)

- **Amendments into Regulation of Personal Data Protection in 2021**

Kazakhstan is taking measures of the national personal data regulation to comply with the General Data Protection Regulation. [Read More](#)

- **Introduction of the Pass-Through Tariff for RES in Kazakhstan**

The following is an overview of the introduction of a pass-through tariff to support conventional energy-producing organizations for the purchase of electricity produced by renewable energy sources. [Read More](#)

- **New Instrument of Attracting Investments Launches in Kazakhstan**

The government of the Republic of Kazakhstan takes steps to attract investments. Therefore, a new instrument Investment Agreement has been launched since the beginning of 2021. [Read More](#)

- **Restrictions on Raising and Granting Loan Funds to Individuals**

The newly adopted law introduces amendments to the Civil Code of Kazakhstan to ensure adequate protection of the rights of the individual. [Read More](#)

- **National Bank of Kazakhstan Forms e-Currency**

The following is a discussion about the prospects of introducing digital tenge that remains under development. [Read More](#)

- **Establishment of the Company in the Republic of Kazakhstan**

Thinking of launching a business in Kazakhstan? Find out where to start and how to successfully establish a company in Kazakhstan by following a series of legal guidelines. [Read More](#)

## Europe

### Austria

- **Legal Updates & Cases**  
The following presents news and updates from LGP Vienna. [Read More](#)
- **FAQs and Infos: Coronavirus**  
This section provides updated and new FAQs about the Coronavirus from a legal perspective in Austria. [Read More](#)

### Italy

- **Untruthful Tax Return: Criminal and Tax Penalties**  
Andersen in Italy analyzes decision No. 4439/2021 of the Italian Supreme Court ruling that in the case of an untruthful tax return and a similar tax crime, there are no *ne bis in idem*. [Read More](#)
- **Presumption of Entrepreneurship in Short Leases**  
From 2021, the short-term lease business is assumed to be carried out in an entrepreneurial manner if the lessor allocates more than four apartments for this purpose for each tax period. [Read More](#)

### Netherlands

- **Consultation on Proposal to Eliminate Double Non-Taxation Through Transfer Pricing Mismatches**  
On March 4, 2021, the Dutch Government published a consultation document on draft legislation to eliminate double non-taxation through transfer pricing mismatches from January 1, 2022. [Read More](#)
- **Updated European List of Non-Cooperative Jurisdictions**  
On February 22, 2021, the European Union list of *non-cooperative jurisdictions* was updated by the Economic and Financial Affairs Council (ECOFIN). [Read More](#)
- **Consultation Document on Reverse Hybrids**  
On March 4, 2021, the Dutch Government published the Consultation document for tax liability measure for reverse hybrid bodies (ATAD2). Companies, consultants, and other interested parties can respond to the proposal until April 2, 2021. [Read More](#)
- **Uncertain Tax Positions**  
An entity needs to decide whether to consider its uncertain tax positions (UTPs) individually or collectively, based on which approach provides better predictions of resolving the UTPs with the tax authority. [Read More](#)

### Romania

- **COVID-19 Legal Insights: Discrimination Issues in the Context of the National Vaccination Campaign for SARS-CoV-2**  
Currently, Romania undergoes a vaccination campaign for COVID-19. The following briefly analyzes the legal condition of a discriminatory act and the procedural remedies available to the person who falls victim to discrimination. [Read More](#)
- **Fiscal Bulletin: Amendments Brought to the Fiscal and Accounting Legislation**  
Government Emergency Ordinance No. 13/2021, for the amendment and completion of Law No. 227/2015 regarding the Fiscal Code and the Accounting Law No. 82/1991, was published in the Official Gazette No. 197 of February 26, 2021. [Read More](#)

## Russia

- **Overview of Law Enforcement Practices for 2020 by Roszdravnadzor**  
Russian federal service for surveillance in healthcare (Roszdravnadzor) presented an overview of its control and supervisory activities for 2020. The following are the main conclusions of the overview. [Read More](#)
- **The Eurasian Patent Office Has Launched the Pharmaceutical Register**  
Since March 1, 2021, the Pharmaceutical Register of the Eurasian Patent Office (EAPO) is available on the official website of the Eurasian Patent Office. The Register contains information on Eurasian patents protecting active substances of drugs. [Read More](#)
- **Changes in the Order of Entry of Foreign Citizens to Russia**  
New amendments are introduced to the Order of the Russian Government dated March 16, 2020, No. 635-r on *temporary restriction of entry into the Russian Federation of foreign citizens and stateless persons and temporary suspension of registration and issuance of visas and invitations* (the Order). [Read More](#)

## Slovakia

- **Legal Aspects of the Coronavirus**  
The following presents FAQs about the Coronavirus from a legal perspective in Slovakia. [Read More](#)
- **AmChat with Business Leaders**  
Martin Jacko, the Managing Partner of LANSKY, GANZGER + Partner, talks to Ronald Blaško, the Executive Director of AmCham, in a podcast of the American Chamber of Commerce in Slovakia, about the possibilities of solving the financial difficulties of entrepreneurs in the intentions of the Slovak legal system and related steps that can prevent further complications. [Read More](#)
- **Issue of Building Permissions**  
The following article in the nationwide newspaper presents new information regarding prepared proposals for the change of the Building Act, summarizing the processes in the new act step by step and looking at the details of the individual procedure. [Read More](#)
- **Home Office: New Legislation in Accordance with the Labor Code**  
The new legislation, in accordance with the Labor Code, effective from March 1, 2021, reflects the current needs of employers and employees in the form of more precise rules concerning working from home, resp. teleworking, which people commonly call the *Home Office*. [Read More](#)
- **Birth Certificate Number Entry**  
The article discusses the extension of the obligation to enter birth certificate numbers resp. other similar unique identifiers of natural persons in the Commercial Register. [Read More](#)

## Slovenia

- **Newly Issued Ruling of the Constitutional Court of the Republic of Slovenia**  
Partner Petra Plevnik explains the newly issued ruling of the Constitutional Court of the Republic of Slovenia, that demands a mandatory service of a decision recognizing a foreign judgment on divorce, to the foreign (former) spouse. [Read More](#)

## Spain

- **[Next Generation EU – The EU Requires that 70% of Non-Reimbursable Financial Aid from European Funds Be Committed by 2022](#)**

The Regulation creates the Recovery and Resilience Mechanism with the objective of providing financial assistance to the member states to achieve the reforms and investments set out in the national recovery and resilience plans. [Read More](#)

- **[New Horizon in U.S.-Cuba Relations](#)**

Ignacio Aparicio analyzes the United States-Cuba Trade Act of 2021. The Democratic Senate will be guiding the new Biden Administration to carry out, in this mandate and in a resolute manner, the reconciliation in the business between the U.S. and Cuba, at a time when it is assessing which measures of the Trump Administration should be reversed and in what order. [Read More](#)

## Ukraine

- **[Gas Market of Ukraine: Retail Market](#)**

Counsel Maryna Hritsyshyna and Senior Associate Natalia Hutarevych analyze the wholesale gas market, explaining in detail who the main participants of the retail gas market are, how payment for transportation is calculated, as well as how a consumer can change its supplier and what the gas price cap and distribution tariffs are for the quarantine period. [Read More](#)

- **[New Opportunities for Foreign Investment Projects in Ukraine](#)**

Partners Vladimir Sayenko, Oleksandr Nikolaichyk, Peter Teluk and Oleg Samus analyze the Law of Ukraine on *State Support of Investment Projects with Significant Investments*, which entered into force on February 13, 2021. [Read More](#)

- **[Is Ukraine Ready for a New Data-Driven World?](#)**

Counsel Ario Dehghani and Associate Yuliia Brusko analyze the importance of data protection and answer the question of whether Ukraine is ready for a new data-driven world. [Read More](#)

- **[Tech Deep Dive – Issue I, 2021](#)**

Partner Nazar Chernyavsky and Counsel Oleg Klymchuk provide a brief overview of the notable IT industry developments during the beginning of 2021 and look at possible (and, in fact, highly debatable) tax changes for the IT industry, which might not only affect local IT businesses but may also be relevant for foreign customers outsourcing IT services in Ukraine. [Read More](#)

- **[Countdown to the Launch of the Road PPP Program in Ukraine](#)**

After its announcement in late 2020, the Road PPP Program, developed by the Ukrainian Government with the support of the World Bank's International Financial Corporation (IFC) and Global Infrastructure Facility (GIF), has attracted considerable attention from both private investors and contractors. [Read More](#)

## United Kingdom

- **[DAC6 – A Welcome Break](#)**

Andrew Parkes, National Technical Director, takes a look at HMRC's DAC6 Christmas present for advisers. [Read More](#)

- **[LLC's Again – Here but Not There](#)**

National Technical Director Andrew Parkes and Head of International Tax Miles Dean outline some of the basics for the use of a U.S. LLC. [Read More](#)

## United Kingdom (continued)

- **IR35 and Personal Services Companies**  
James Paull, Head of Incentives Group, discusses the benefits of operating with consultants and why it would be a shame for over prudence to impact the potential savings. [Read More](#)
- **Dame Margaret Hodge Urges the Treasury to Tighten Up DST**  
Miles Dean, Head of International Tax, comments on the news that Dame Margaret Hodge has called for the Treasury to close the loophole in Digital Services Tax which allows tech giants to pass on the levy to small businesses. [Read More](#)
- **Budget 2021: Review**  
James Paull and Miles Dean review Budget 2021 and highlight potential areas of concern or opportunities to benefit UK businesses or individuals. [Read More](#)

## India

- **Nangia Andersen LLP: Newsletter – March, 2021 Edition**  
This newsletter highlights major recent tax and regulatory developments. [Read More](#)
- **NEWSFLASH: Supreme Court Holds that Payments for Software Shall Not Be Taxable as Royalty**  
The Supreme Court (SC) has finally established its view on the widely-litigated issue of taxation of cross-border payments made for the import of software for sale in India. [Read More](#)
- **NEWSFLASH: Haryana Government Passes Bill Allowing 75% Reservation for Locals in Private Jobs**  
Haryana's Governor has sanctioned the Haryana State Employment of Local Candidates Bill of 2020, which shall be effectual for a patch of 10 years from the date of its constitution (i.e., March 2, 2021). [Read More](#)
- **NEWSFLASH : CBDT Addresses Extended Stay Concerns Emerging Out of COVID-19**  
In order to avoid the genuine hardship faced by individuals who were forced to stay in India due to quarantine/travel restrictions, the government issued a Circular No. 11 dated May 8, 2020, stating exclusion of specified period for determining residential status. [Read More](#)
- **NEWSFLASH: Taxpayers Having Aggregate Turnover Exceeding 50 Crores Are Required to Issue e-Invoice**  
The provisions of e-invoice have been implemented from October 1, 2020 for registered persons having turnover exceeding 500 crores. From January 1, 2021, the turnover threshold was reduced to 100 crores. Now, the turnover threshold has been further reduced. [Read More](#)
- **Decoding Tax Fine-Print, Finance Bill, 2021 – Clause by Clause Analysis**  
The following presents a clause by clause analysis of the Finance Bill, 2021 introduced by the Hon'ble Finance Minister in the Indian Parliament. [Read More](#)
- **TaxBuzz – Determination of Residential Status of Individuals During the Ongoing Coronavirus Pandemic**  
The Central Board of Direct Taxes issued Circular No. 2 of 2021, dated March 3, 2021, for determining the residential status of individuals stranded in India owing to the ongoing Coronavirus pandemic during the financial year 2020-21. [Read More](#)



## India (continued)

- **Supreme Court: Non-Payment of Stamp Duty on the Commercial Contract Does Not Invalidate the Arbitration Agreement**

The Hon'ble Supreme Court, in its judgment dated January 11, 2021, held that an arbitration agreement embedded in a commercial contract is independent of the substantive agreement, therefore, non-payment of stamp duty on the commercial contract does not render the arbitration agreement unenforceable. [Read More](#)

- **Telangana High Court: Natural Justice Principles to be Followed Before Declaring Borrower's Account as Fraudulent**

The Telangana High Court, by its judgment dated December 10, 2020, allowed the writ petition filed by a Director of a company under Article 226 of the Constitution of India (1949), on the grounds, inter alia, that principles of natural justice had not been followed in respect of *Master Directions on Fraud* dated July 1, 2016, issued by the Reserve Bank of India. [Read More](#)

- **NCLAT: Neither the Committee of Creditors Has the Power to Determine, nor the Resolution Professional Has the Power to Reclassify the Status of a Creditor from Financial Creditor to Operational Creditor**

The National Company Law Appellate Tribunal has held that neither the committee of creditors nor the resolution professional has the power to determine or reclassify the status of a creditor from financial creditor to operational creditor under the Insolvency and Bankruptcy Code of 2016. [Read More](#)

## Latin America

### Chile

- **Legal Alert Chile – January 2021**

The following presents the collection of laws published in January 2021 and other legal matters of interest. [Read More](#)

### Costa Rica

- **The 'Testaferrato' as a Means to Commit Crimes**

Being a *frontman* for another person – in principle thesis – is not constitutive of any crime. The Dictionary of the Royal Academy defines it as someone who *lends his name in a contract, claim or business that actually belongs to another person*; that is, a figurehead (also known as a *straw man*), a person who substitutes for another who is not visible in front of others. [Read More](#)

- **Creation of the Costa Rican Space Agency (AEC)**

The Costa Rican Technological Institute (TEC), based in the Central Canton of Cartago, through its Space Systems Laboratory (SETEC-Lab), in a determined and visionary way, conducts academic research in this interesting, specialized and novel subject. [Read More](#)

- **Family Law – Irregularities of the De Facto Family Partnership in Costa Rica**

Article 242 of the Family Code recognizes the figure of de facto union, for those cases in which people constitute a public, notorious, unique and stable coexistence, for more than three years. [Read More](#)

- **Tax Calendar March 2021**

The following presents Costa Rica's tax calendar for the month of March. [Read More](#)

## El Salvador

- **More Robust Digital Ventures: Venture Capital**

The following talks about how to make digital venture more robust through venture capital and/or capital raising strategies. [Read More](#)

## Guatemala

- **Leasing Law**

On March 2, 2021, Decree No. 2-2021 of the Congress of the Republic of Guatemala was published in the Official Diary, which decrees the Leasing Law. The purpose of the law is to establish the general regulations that regulate leasing operations, as well as the rights and obligations of the parties involved in this operation. [Read More](#)

- **Tax Calendar March 2021**

The following is the Guatemalan tax calendar for the month of March. [Read More](#)

## Honduras

- **Tax Calendar**

The following presents the tax calendar for Honduras for the first quarter. [Read More](#)

## Middle East

### Egypt

- **Egypt Invests in Education**

On March 3, 2021, President Abdel Fattah El-Sisi promulgated Law No. 86 of 2021, establishing the European Universities in Egypt (EUE) and allowing it to open a branch for two universities (London University and Central Lancashire University) within the Arab Republic of Egypt. [Read More](#)

- **JSC Shareholder Limits in Filing a Lawsuit**

In order to regulate the rights of all shareholders in a Joint Stock Company (JSC), Articles of Association (AoA) must be established for each company, and once published in the Official Gazette, it becomes the governing law for all matters related to company matters. [Read More](#)

- **Amending the Provisions of the Notary Public**

On September 5, 2020, President Abdel Fattah Al-Sisi promulgated Law No. 186 of 2020, amending some provisions of the Notary Public law that was published in the Official Gazette to be enacted on March 4, 2021. [Read More](#)

- **Powers of the High Authority for Arbitration and International Disputes**

The Prime Minister issued Decree No. 2592 of 2020, prohibiting all governmental entities and state-owned companies from concluding any contract with a foreign investor or agreeing to any arbitral clause without first referring the matter to the High Authority for arbitration and international disputes. [Read More](#)

## Kingdom of Saudi Arabia

- **Tax Planning in the Saudi Market**  
Tax planning is an essential part of the financial plan for an individual investor or company. Reducing the tax risk and penalties is critical to ensure the maximum ability for business continuity and success. [Read More](#)
- **Five Vital Areas Help Organizations Cope with Post COVID-19 Changes**  
The following information provides the latest perspective on how businesses can outwit the COVID-19 and prepare for the next normal such as assessing the essential functions and the reliance that the consumers have on them. [Read More](#)
- **Zakat and Tax Experts Importance for Financial and Accounting Departments**  
One of the biggest problems that Gulf markets face is insufficient awareness of Zakat and tax impact on the cash flow of commercial establishments. It is essential to have Zakat and tax planning to maintain the company's liquidity and manage its Zakat and tax risks. [Read More](#)
- **Transfer Pricing**  
The article provides insight on transfer pricing in Saudi Arabia. [Read More](#)
- **Real Estate Transaction Tax in Saudi Arabia**  
The article provides insight on real estate transaction tax in Saudi Arabia. [Read More](#)
- **How to Create Successful Virtual Teams**  
The excerpt discusses some key factors on how to create successful virtual teams. [Read More](#)

## North America

### Canada

- **U.S. Court Taxes Non-U.S. Corporation on Gross U.S. Business Income**  
In this tax brief, Eric Trumbull dives into a decision in *Adams Challenge (U.K.) Limited v. Commissioner (Adams Challenge)*, which happened in January of 2021, and its implications for Canadians conducting business in the U.S. [Read More](#)

### United States

- **American Rescue Plan Act Includes Tax Changes Affecting Businesses and Individuals**  
President Biden signed the latest COVID-19 relief measure, the American Rescue Plan Act of 2021. The legislation includes tax provisions primarily targeted at extending existing tax credits and offering additional tax relief to families. [Read More](#)
- **Warren Wealth Tax Proposal Garners Significant Attention But Likely Lacks Sufficient Political Support**  
Senator Elizabeth Warren (D-MA) introduced legislation that would apply a 2% tax on every dollar of an individual or trust's net worth above USD \$50 million and add an additional 1% surcharge for net worth above USD \$1 billion, among others. [Read More](#)
- **2021 Policy Outlook Highlights Tax Legislative Priorities and Proposals**  
The Biden administration's agenda and legislative priorities have increasingly become the focus of many seeking to understand and plan for potential tax changes on the horizon. [Read More](#)

## United States (continued)

- **[Tax Policy Update: Examining Recent COVID-19 Tax Developments and Surveying Potential Changes on the Horizon](#)**

As we head into the 2021 tax season, it is important to take note of some of the tax policy changes passed in connection with the COVID-19 pandemic that may impact 2020 returns and other compliance obligations in the new year. [Read More](#)

- **[The Many Sides of a Gift](#)**

The tax planning environment was (and still is) incredibly favorable, with interest rates at historic lows and rapidly changing valuations on which to capitalize, creating the perfect storm of wealth transfer activity. [Read More](#)

- **[Corporate Transparency Act of 2020 Creates New Beneficial Ownership Reporting Requirements for U.S. and Foreign Businesses](#)**

On January 1, 2021, the Senate passed H.R. 6395, the National Defense Authorization Act, 2021 (NDAA). The NDAA includes the Anti-Money Laundering Act of 2020, which in turn contains the Corporate Transparency Act. The legislation is intended to curb the use of shell companies to facilitate illegal money laundering.

[Read More](#)

- **[Reducing Concerns Over Gifting Too Much](#)**

As has been consistent throughout his campaign, President Joseph Biden's tax plan includes various measures focused on estate planning. [Read More](#)

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