

May 2021

Connect With Us!   

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 May.

Subscribe



Table of Contents

| | |
|-----------------------------|----------|
| Global Webinars..... | 3 |
| Africa..... | 3 |
| Mauritius..... | 3 |
| Nigeria..... | 4 |
| South Africa..... | 4 |
| Australia..... | 5 |
| Europe..... | 6 |
| Germany..... | 6 |
| Italy..... | 6 |
| Malta..... | 6 |
| Poland..... | 7 |
| Republic of Belarus..... | 7 |
| Russia..... | 7 |

Table of Contents (continued)

Slovenia.....8

Spain.....8

Turkey.....8

Ukraine.....9

India.....9

Latin America and the Caribbean.....11

Latin America.....11

Chile.....11

Costa Rica.....11

Honduras.....11

Nicaragua.....11

Suriname.....11

Middle East.....12

Egypt.....12

North America.....12

Canada.....12

United States.....12

Global Webinars

- Europe
Employment Webinar: COVID-19 Related Restrictions for Employment Termination Across Europe
This webinar was organized by the European Employment group of Andersen in which the professionals pointed out the global spread of COVID-19 is forcing employers worldwide to adopt different measures to be able to continue the business activity while trying to maintain as many jobs as possible. [Learn More](#)
- Nigeria
Renewable Energy in Nigeria: Harnessing Alternative and Sustainable Energy
This webinar discussed the opportunities and challenges in the renewable energy sector and various strategies to bridging electricity access in Nigeria, as well as the maiden launch of the power sector guide by Andersen. [Learn More](#)
- Spain
New Horizon for Investment in Cuba, New Opportunities for Portugal
The webinar took place on May 21, discussing a new horizon for investment in Cuba and new opportunities for Portugal. [Learn More](#)
- Spain
Real Estate Investment Trends and Opportunities in Iberia: Spain & Portugal
Andersen has identified the most profitable opportunities and key points to consider when making an investment in order to avoid risks and maximize profits based on strategic tax planning. [Learn More](#)
- Spain
Digital Transformation and IT Challenges: a Cybersecurity Roadmap for Companies
Andersen organized a webinar in collaboration with the Spanish Innovation Club on new legal compliance facing the IT challenge. Professionals analyzed the new obligations of companies to comply with European regulations. [Learn More](#)

Africa

Mauritius

- **Let's (Not) Tax Our Way Out of This Pandemic**
While budget consultations are taking place in Mauritius ahead of the 2021/2022 National Budget speech, it is hard to ignore the latest tax policy proposals being announced on a global scale. [Read More](#)
- **Regulating the Crypto-Market in Mauritius**
Digital and virtual currencies have gained further popularity around the world during the COVID-19 pandemic. The following discusses the background and intricacies of cryptocurrencies from a Mauritian perspective. [Read More](#)

Nigeria

- **[A Guide to the Nigerian Renewable Energy Sector](#)**
This guide provides some basic insights into renewable energy in Nigeria with particular emphasis on the applicable policies and guidelines, fiscal and investment considerations for renewable energy projects, the trend and outlook of renewable energy, and challenges in the renewable energy market as of the date of publication. [Read More](#)
- **[The Importance of Family Office for High Net Worth Individuals and Families](#)**
The article examines the concept of *family office*, the different types of structures, and their role in supporting family wealth preservation. [Read More](#)
- **[Not-for-Profit Organizations: Accounting and Financial Reporting](#)**
This article discusses the accounting and reporting framework required for not-for-profit organizations to ensure accountability to the diverse stakeholders of NFPOs. [Read More](#)
- **[Recourse to Earmarked Taxes as an Additional Source of Government Revenue](#)**
This article discusses the meaning and types of earmarked taxes. It also examines the issues that are likely to arise if the government makes recourse to such an option and the implication of such a move on businesses and the Nigerian economy. [Read More](#)
- **[Evaluating the Cost Price Ratio Limit in the PIB](#)**
This article evaluates the potential implications of the CPR limit introduced in the Petroleum Industry Bill (PIB), vis-à-vis the practice obtainable in other jurisdictions. [Read More](#)
- **[The Legality and Implication of Mandating the Allotment of Unissued Shares by Existing Companies Under the Companies Regulations 2021](#)**
This article reviews the provisions of the CAMA 2020 and Regulation 13 to determine the legality and implications of Regulation 13 on Nigerian businesses. [Read More](#)

South Africa

- **[Impact of the Recent ABSA Bank Limited and Another v. CSARS Judgment](#)**
The recent case of ABSA Bank Limited and Another v. C SARS (21825/19) involved the application of the General Anti-Avoidance Rule (GAAR) and whether the taxpayer (ABSA Bank) was party to an impermissible anti-avoidance arrangement. [Read More](#)
- **[No More Bacon for Mr. Mogotsi: COVID-19 and Dismissible Conduct](#)**
In a recent judgment, in the matter of Eskort Limited v. Stuurman Mogotsi, the Labor Court pronounced on the topical issue of COVID-19 protocols in the workplace they are being disregarded and whether this amounted to dismissable misconduct. [Read More](#)
- **[Renewable Energy Lights the Way for Electrification on the African Continent](#)**
If governments in the Sub-Saharan Africa region adapt their policies, regulations and governance relating to access to financial markets, the International Renewable Energy Agency indicates that the region could meet up to 67% of its energy needs with renewable energy solutions. [Read More](#)
- **['Red Tape' Revisited – The Ease of Doing Business Bill](#)**
The opposition Democratic Alliance introduced the Ease of Doing Business Bill in Parliament in late February this year. The most significant objects of the cryptically titled bill are discussed in this article. [Read More](#)

South Africa (continued)

- **Is WhatsApp POPIA Compliant?**

At the beginning of 2021, WhatsApp indicated that they would conduct an update to their privacy policy. This update led to many speculating and stating that user's information would no longer be protected and has been rumored ever since a massive acquisition, which saw Facebook part with USD \$16 billion to become the new owners of the WhatsApp domain. [Read More](#)

- **Jekyll and Hyde – Share Repurchases and Schemes of Arrangement in the Context of an Affected Transaction**

A share repurchase is often mistakenly (and automatically) assumed to be a scheme of arrangement since section 114(1) of the Companies Act 71 of 2008 (the Act) defines a scheme of arrangement as an arrangement between a company and holders of any class of shares in the company and includes a *re-acquisition by the company of its securities*. This article discusses why this is not always the case.

[Read More](#)

- **Andersen Tax Review – April 29, 2021**

The following presents Notable Tax Law updates covering South African case law, legislation, SARS and global tax developments. [Read More](#)

- **Case Law: SCA Sets a Precedent in the Recovery of Property Against a Company in Business Rescue**

A recent judgment by the Supreme Court of Appeal has given some much-needed guidance on the use of section 133 of the Companies Act 71 of 2008 (the Act). [Read More](#)

- **Regulation of the Marketing and Sale of Medicines – a Reminder for Suppliers**

The promotion, marketing and sale of medicines, medical devices and related products is regulated in South Africa. It is governed by the Medicines and Related Substances Act, 101 of 1965, as amended (the Act), the terms of which are outline in this summary. [Read More](#)

Australia

- **Monthly Tax Update: May 2021**

The following provides recent updates in legislation and tax developments in the areas of corporate tax, individual tax and international tax, as well as recent activities of the Australian Taxation Office (ATO).

[Read More](#)

- **Federal Budget 2021: Insights & Analysis**

The following outlines key economic forecast indicators for this year's Federal Budget and key tax measures announced by the government on May 11, 2021. It also provides insight and commentary on what these changes may mean for you, your employees and your business. [Read More](#)

Europe

Germany

- **Germany Reforms Real Estate Transfer Tax Rules**

The German legislator has eventually passed a long-pending reform of the Real Estate Transfer Tax Act. Reformed rules will generally apply from July 2021, significantly increasing the scope of German RETT in share deals. While German RETT is often overlooked in international transactions, accidentally triggering RETT upon (indirect) transfer of shares in entities owning German real estate, such risk will increase under reformed rules.

[Read More](#)

Italy

- **The “Sterilization” of Losses: The Interpretation Provided by the Triveneto Notary Committee**

After the spread of the COVID-19 pandemic, the Italian Government launched several measures aimed at supporting companies in crisis. [Read More](#)

- **Revised IBA Rules on the Taking of Evidence in International Arbitration**

In 1983, the International Bar Association (IBA) adopted the first edition of the Rules on the Taking of Evidence (IBA Rules) to have guidelines on how to conduct the discovery phase of the arbitral proceeding for parties coming from very different jurisdictions. [Read More](#)

Malta

- **Introduction to Mergers and Acquisitions: Looking Towards the Future of the Effectivity of Your Business in Malta**

In the last few decades, the importance of mergers and acquisitions as a tool for business has arisen drastically. [Read More](#)

- **Introduction to Privacy Law and GDPR: The Privacy Pinnacle Series**

In the digital age, characterized by the growth of cloud computing and remote access, the importance of protecting personal data has gained new significance. [Read More](#)

- **Malta Copyright Protection in the Digital Age: Malta Copyright Law Proposed Reforms in a Digital Age**

The following provides information on copyright in Malta and the challenges posed by the digital world. [Read More](#)

- **Trademark Registration in Malta and the EU**

With the ever-growing influence that technology has on our lives and the radical increase in screen time, the use of brand identifiers and marks has become more vital than ever. [Read More](#)

- **Malta Taxation of Resident Non-Doms: Entities**

A legacy of the British influence and the commonwealth legal system in Malta is the concept of the remittance basis of taxation, forming a part of the Maltese tax system since the middle of the last century. The remittance-based tax system applies to persons (legal and natural entities) who are residents but are not domiciled in Malta. [Read More](#)

Poland

- **Publication of the ECJ's Judgment on Neutrality of ICA Settlements**
May 10, 2021 marks the date of publication in the EU Official Journal of the judgment passed by the European Court of Justice on March 18, 2021, in which the court held that the Polish tax rules which conditioned neutrality of intra-Community acquisition of goods on the timely settlement of the output VAT in the VAT return were incompliant with the VAT Directive. [Read More](#)
- **COVID-19 Vaccinations in the Workplace**
On May 4, 2021, the Government Security Centre provided access to detailed information on how to organize the COVID-19 vaccination process in workplaces. The following presents the procedure and requirements to be met to organize vaccinations in your workplace. [Read More](#)
- **Vaccinations – Requirements and Obligations of European Employers**
This newsletter provides a review of the requirements and obligations of employers with respect to vaccination in some EU countries. [Read More](#)

Republic of Belarus

- **Republic of Belarus: Business Will Have the Right to Grant Shares to Its Employees**
From April 28, 2021, Belarusian businesses will be provided with the right to sell shares to their employees or transfer shares free of charge. Such a right gives an opportunity to use employee stock options in Belarus, which are widely used in world practice. [Read More](#)
- **Key Changes in the Business Entities Law in Belarus 2021**
On January 27, 2021, Law of the Republic of Belarus No. 95-3 dated May 1, 2021 *on amending the laws pertaining to business entities*. The law amends the procedures used to regulate the activities of business entities (LLCs, ALCs, CJSCs, OJSCs) as of April 28, 2021. [Read More](#)
- **Doing Business in Belarus**
Doing Business 2021 guide has been compiled by REVERA lawyers. The guide contains a comprehensive review of all legal spheres and business features: from choosing the best tax regime to anti-monopoly legislation. [Read More](#)
- **Doing Pharmaceutical Business in Belarus 2021**
A review by REVERA law firm on how to effectively operate the pharmaceutical business in the Belarusian jurisdiction. [Read More](#)

Russia

- **New Version of Art. 1360 of the Russian Civil Code**
Under the applicable law, the Russian Government is entitled to allow the use of inventions, utility models and industrial designs without the patentholder's consent, not just for the purpose of national defense and state security but also for the protection of life and health of the citizens. [Read More](#)
- **Written Consent to Personal Data Processing: A New Approach of Draft Law No. 992331-7**
Perhaps, it is the most anticipated document in the field of personal data since the proposed changes in 152-FZ are designed to reduce the number of pain points for both operators and consultants in the information protection sphere. [Read More](#)

Russia (continued)

- **Civil Law Issues and Procedural Clarifications in Russia's Supreme Court Third Review of Cases in the Context of COVID-19**
The Presidium of the Supreme Court approved the review on certain matters of judicial practice in the context of measures to combat the spread of COVID-19. This is the third review by the Supreme Court containing legal positions on the application of law during a difficult sanitary and epidemiological situation. [Read More](#)
- **Russia's Supreme Court Provides Clarification on the Sale of Tourism Products and Air Transportation of Passengers in the Context of COVID-19**
The Supreme Court paid special attention to issues in the field of tourism and air transportation, in its review on judicial practice related to the application of legislation in the context of measures to combat the spread of COVID-19. [Read More](#)

Slovenia

- **Changes of Slovenian Tax Legislation**
Janja Ovsenik, Partner at our law firm, wrote about the announced changes to Slovenian personal income, corporate income, and value-added tax legislation, foreseen in the government's proposal that was recently submitted to Parliament, following a public hearing on tax measures to help the economy recover from the pandemic. [Read More](#)
- **Implementation of Directive (EU) 2019/1023 on Restructuring and Insolvency in Slovenia**
In an article published by *CEE Legal Matters*, Senior Associate Žiga Kosmatin and Associate Luka Ržek wrote about how the implementation of insolvency rules in line with Directive (EU) 2019/1023 on Restructuring and Insolvency into the Slovenian legal order shall affect the announced wave of bankruptcy proceedings due to the COVID-19 epidemic. [Read More](#)

Spain

- **Latest Court Decision in Exxon v. CIMEX and CUPET Lawsuit Under Title III of the Helms-Burton Act**
The Court analyzes the exemption of foreign states from immunity from prosecution and calls for evidence to clarify the application of the commercial activity exception. [Read More](#)
- **The EU Proposal for a New Artificial Intelligence Regulation Establishes a New Legal Framework for Innovation**
The European Commission frames the AI standard within the European digital strategy called *Shaping Europe's Digital Future*. [Read More](#)

Turkey

- **Power of Filing a Suit and Requesting for a Correction of the Tax Responsibilities**
The tax responsible party, according to the provision of Tax Procedure Law article 8/2 *in terms of payment of tax, the creditor is the person who is addressed to the creditor tax office*. [Read More](#)

Ukraine

- **Ukraine B2B Licensing: A Boost for Local Players, an Opportunity for Foreigners**
Partner Alina Plyushch explains why the Ukrainian B2B regime could also be a good choice for worldwide manufacturers and native IT suppliers. [Read More](#)
- **How Ukrainian Business Prepares for War**
Partner Sergey Pogrebnoy speaks about how business in Ukraine should get prepared for the full-scale war in case it happens. [Read More](#)
- **Balanced Approach – Distressed Debt and Liability Management**
Partners Anton Korobeynikov and Igor Lozenko describe the current economic situation that predicts upcoming financial distress for certain economic sectors and the Ukrainian corporate borrowers who now have to manage their liabilities in an unusual context. [Read More](#)
- **Gas Market of Ukraine: Production**
Head of Energy group Maryna Hritsyshyna and Senior Associate Natalia Hutarevych prepare a general overview of Ukraine's gas market. [Read More](#)
- **Energy Sector of Ukraine: Main Changes**
On April 15, 2021, the Parliament of Ukraine adopted the Law of Ukraine *On Amendments to Certain Legislative Acts of Ukraine on Certification of the Transmission System Operator* (the Law On Certification). [Read More](#)
- **Development of the Digital Economy in Ukraine**
The Parliament of Ukraine adopted the draft law *On Stimulating Development of the Digital Economy in Ukraine* in the first reading. The draft law defines the principles of a special legal regime in Ukraine – Diia City. [Read More](#)

India

- **Nangia Andersen LLP: May, 2021 Edition**
The following highlights major recent tax and regulatory developments. [Read More](#)
- **NEWSFLASH: MCA Relaxations Amid COVID-19 Second Wave**
In view of the disruptions caused due to the resurgence of COVID-19 cases and lockdowns, MCA vide issue of General Circular dated May 3, 2021 has provided certain relaxations/extensions from compliances under Companies Act, 2013 and LLP Act, 2009. [Read More](#)
- **NEWSFLASH: Thresholds for Establishing 'Significant Economic Presence' Notified, Shall Be Effective From April 1, 2022**
In order to get its fair share of taxes from digital businesses, that derive significant value-form India, without physical presence, India introduced the concept of Significant Economic Presence in the statute in 2018. [Read More](#)
- **NEWSFLASH: Bombay High Court Restricts Adjustment of Refund Against Outstanding Demand to the Amount Prescribed for Obtaining Stay of Demand**
Bombay High Court directed the Revenue to refund the excess amount adjusted against outstanding demand. It was held that it would be erroneous to consider that all refunds arising are liable to be adjusted against the tax demands, irrespective of orders thereon by the authorities and/or subsisting instructions and provisions of the Act. [Read More](#)

India (continued)

- NEWSFLASH: CBIC Gives Relaxations to Various GST Compliances**
 CBIC has given relaxations in various GST compliances. In view of the widespread of COVID-19 in the past month, the government has offered respite by way of waiver of interest and late fee on various GST compliances and extending the time limit for other actions/compliances to be undertaken under the GST Law. [Read More](#)
- NEWSFLASH: CBDT Extends Due Dates of Compliances**
 As expected, CBDT has extended the due dates for tax compliances. While India struggles to defeat the second wave of the pandemic and individuals and businesses alike, stare at fresh lockdowns, the government has offered respite in the form of relaxed compliance deadlines. [Read More](#)
- NEWSFLASH: AIF Compliance Calendar for FY 2021-20**
 In view of the COVID-19 pandemic, the Government of India had brought about some statutory and regulatory compliance relief measures in the form of deferment of due dates for the year 2020-21. However, as we move into a new financial year (FY 2021-22), the original due dates are likely to be applicable. [Read More](#)
- India Chapter on Transfer Pricing Developments and Trends**
 Our Transfer Pricing team contributed a detailed India Chapter on Transfer Pricing developments and trends for *Bloomberg Tax & Accounting* dossier on Transfer Pricing Forum – Winter 2020/Spring 2021 edition. [Read More](#)
- India's Supreme Court Ruling on Software Sales and Its Implications for the Equalization Levy**
 The following discussed what the ruling means for the global tech community especially the U.S. tech giants. [Read More](#)
- GST Cafe – Prescribed Limitation of Three Months Is Different From a Period of 90 Days: High Court of Bombay**
 The Hon'ble Bombay High Court held that the period of limitation of three months to prefer an appeal against an order-in-original, as prescribed under section 85(3A) of the Finance Act, 1994, is different from a period of limitation of 90 days, as prescribed under section 35 of the Central Excise Act, 1944. [Read More](#)
- Supreme Court: The Provisions of the Limitation Act Would Apply Mutatis Mutandis to Proceedings Under the IBC in the NCLT or NCLAT**
 The Hon'ble Supreme Court has held that provisions of the Limitation Act, 1963 would apply mutatis mutandis to proceedings under the Insolvency and Bankruptcy Code, 2016 in the National Company Law Tribunal and National Company Law Appellate Tribunal. [Read More](#)
- NCLT, Mumbai: Allows Application Seeking Reliefs Essential to Run a Corporate Debtor Sold as 'Going Concern' During Liquidation**
 The Mumbai Bench of National Company Law Tribunal has allowed an application seeking reliefs essential to run a corporate debtor sold as *going concern* during liquidation. [Read More](#)
- Supreme Court: A Contract Is Void if Prohibited by a Statute Under a Penalty, Even Without an Express Declaration That the Contract Is Void**
 The Hon'ble Supreme Court has held that a contract is void if prohibited by a statute under a penalty, even without an express declaration that the contract is void. [Read More](#)
- Bombay High Court: Reiterated That a Choice of Seat Is Itself an Expression of Party Autonomy and Carries With It the Legal Effect of Conferring Exclusive Jurisdiction on the Courts of the Seat**
 The Hon'ble Bombay High Court has held that a choice of seat is itself an expression of party autonomy and carries with it the legal effect of conferring exclusive jurisdiction on the courts of the seat. [Read More](#)

Latin America and the Caribbean

Latin America

- **Remote Work Guide – Andersen Global**

Member firms and collaborating firms of Andersen Global present the Telework Guide in Latin America, a document containing information on the general situation of remote work in the Latin American region.

[Read More](#)

Chile

- **Legal Alert Chile – February/March 2021 – Newsletter**

The following presents a collection of laws published in February and March 2021 as well as other legal matters of interest that occurred during that period. [Read More](#)

Costa Rica

- **Judicial Independence and Democracy**

The following article on judicial independence and democracy is written by an expert criminal law attorney from the CENTRAL LAW office in Costa Rica, Federico Campos. [Read More](#)

- **Tax Due May 2021**

The following presents information on tax due on May 2021. [Read More](#)

Honduras

- **Data Protection in Honduras**

The exchange of information determines the behavior of the human being, to the point that various anthropologists and historians consider that communication and the tools used to make this process effective are together one of the driving forces that have led the human being to become the dominant species.

[Read More](#)

Nicaragua

- **May 1 Holiday - Applicable Legislation**

Regarding the press release of April 20, 2021, issued by the Ministry of Labor, regarding May 1 and 3, the following aspects must be taken into account. [Read More](#)

- **New Leniency Program on Anti-Competitive Practices**

Seeking how to prevent anti-competitive practices among economic agents in Nicaragua, the National Institute for the Promotion of Competition (PROCOMPETENCIA) approved the Leniency Program Regulations (Regulation No. 31), which was published in La Gaceta, Diario Oficial No. 45 of March 5, 2021.

[Read More](#)

Suriname

- **Recovery Plan 2020-2022: Tax & Legal Summary**

The following provides a tax and legal summary on the Recovery Plan 2020-2022 (Hersterplan 2020-2022) that was released on May 13, 2021 by the Government of Suriname. [Read More](#)

Middle East

Egypt

- **Reconciliation Term for Construction Violations Expires End of March 2021**
On April 8, 2019, President Abdel Fattah El-Sisi issued Law No. 17 of 2019, regulating reconciliation for construction violations that occur as a result of contradicting the provisions of Building Law No. 119 of 2008, in addition to prohibiting reconciliation in cases concerning construction safety violations. [Read More](#)
- **Court Orders Banks to Compensate Customers**
The following topic depends on the *principal/subordinate relationship* wherein the principal is responsible for monitoring and directing the subordinate's actions. [Read More](#)
- **Implementation of the Foreign Arbitration Award in Egypt**
Recognizing the increasing importance of international arbitration, the Convention on the Recognition and Enforcement of Foreign Arbitral Awards seeks to provide common legislative standards on the recognition of arbitration agreements as well as the recognition and enforcement of foreign arbitral awards by courts. [Read More](#)

North America

Canada

- **Canada Federal Budget 2021 Highlights**
On April 19, 2021, the Minister of Finance, Chrystia Freeland, presented the 2021 Federal Government's budget. The following is an overview of some of the major tax-related announcements of this budget. [Read More](#)

United States

- **Treasury and IRS Issue Accounting Method Change Guidance for Foreign Corporations**
Treasury and IRS issued Revenue Procedure 2021-26 regarding accounting method changes made on behalf of controlled foreign corporations (CFCs). [Read More](#)
- **President Biden Proposes Tax Increases for Wealthy Individuals and Greater Funding for IRS Enforcement**
The American Families Plan includes USD \$1 trillion in investments and USD \$800 billion in tax credits aimed towards children and families. To finance these objectives, the plan contains a number of tax provisions targeting high-income individuals and providing for increased IRS enforcement activity. [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](#)
- **Virginia Unitary Business Information Report Requirement Sets the Stage for Mandatory Combined Reporting for 2021 Tax Year**
All corporate taxpayers conducting business in Virginia that are members of a unitary business must file an information report on or before July 1, 2021, with no extensions, under budget legislation (H.B. 1800) enacted by the state. Late, incomplete or inaccurate information reports will be subject to a USD \$10,000 penalty. [Read More](#)

Andersen Global is a Swiss verein comprised of legally separate, independent member firms located throughout the world providing services under their own names. Andersen Global does not provide any services and has no responsibility for any actions of the Member Firms or collaborating firms. No warranty or representation, express or implied, is made by Andersen Global, its Member Firms or collaborating firms, nor do they accept any liability with respect to the information set forth herein. Distribution hereof does not constitute legal, tax, accounting, investment or other professional advice.

© Compilation 2021 Andersen Global. All rights reserved