



Australian Government

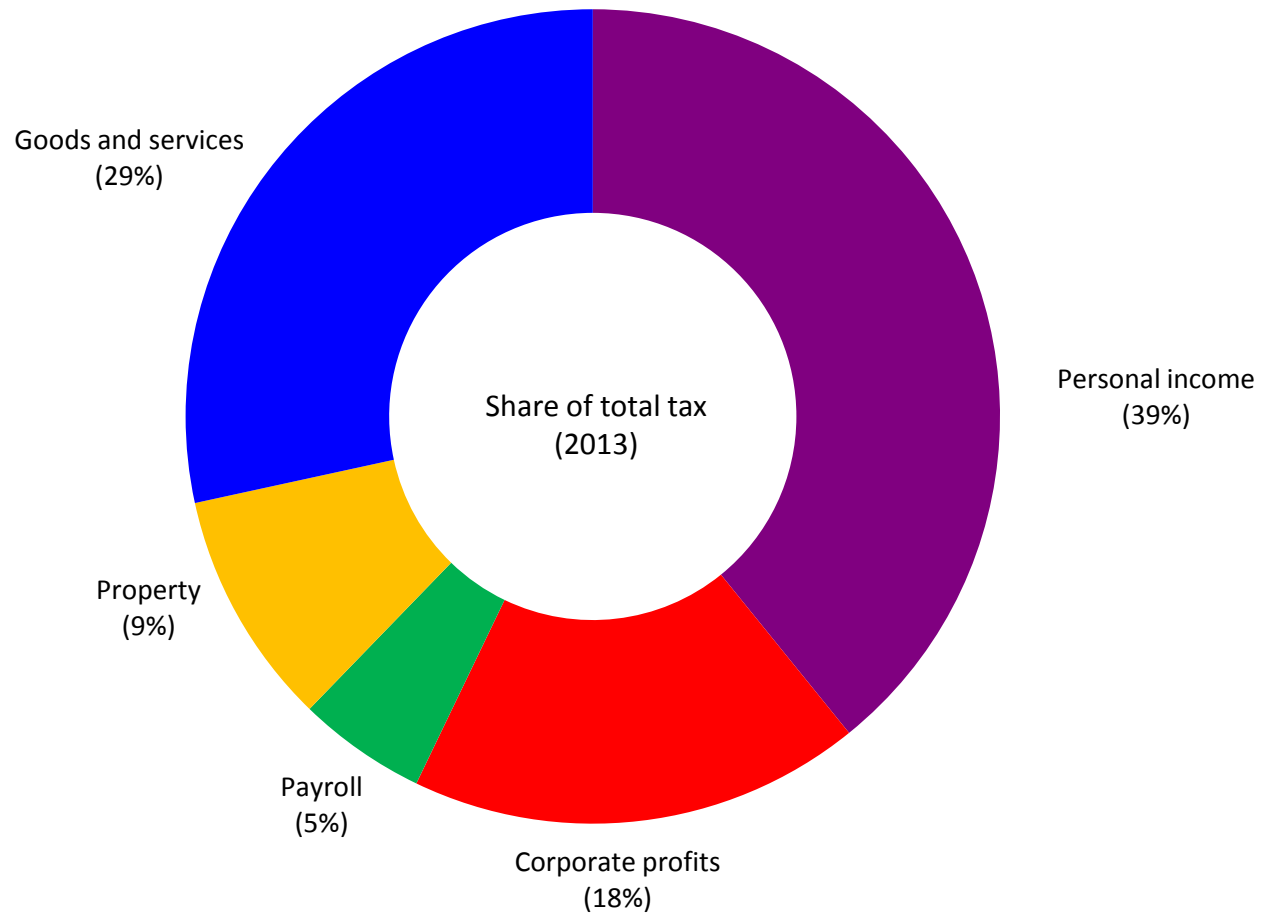
The Treasury

Addressing BEPS – an Australian experience

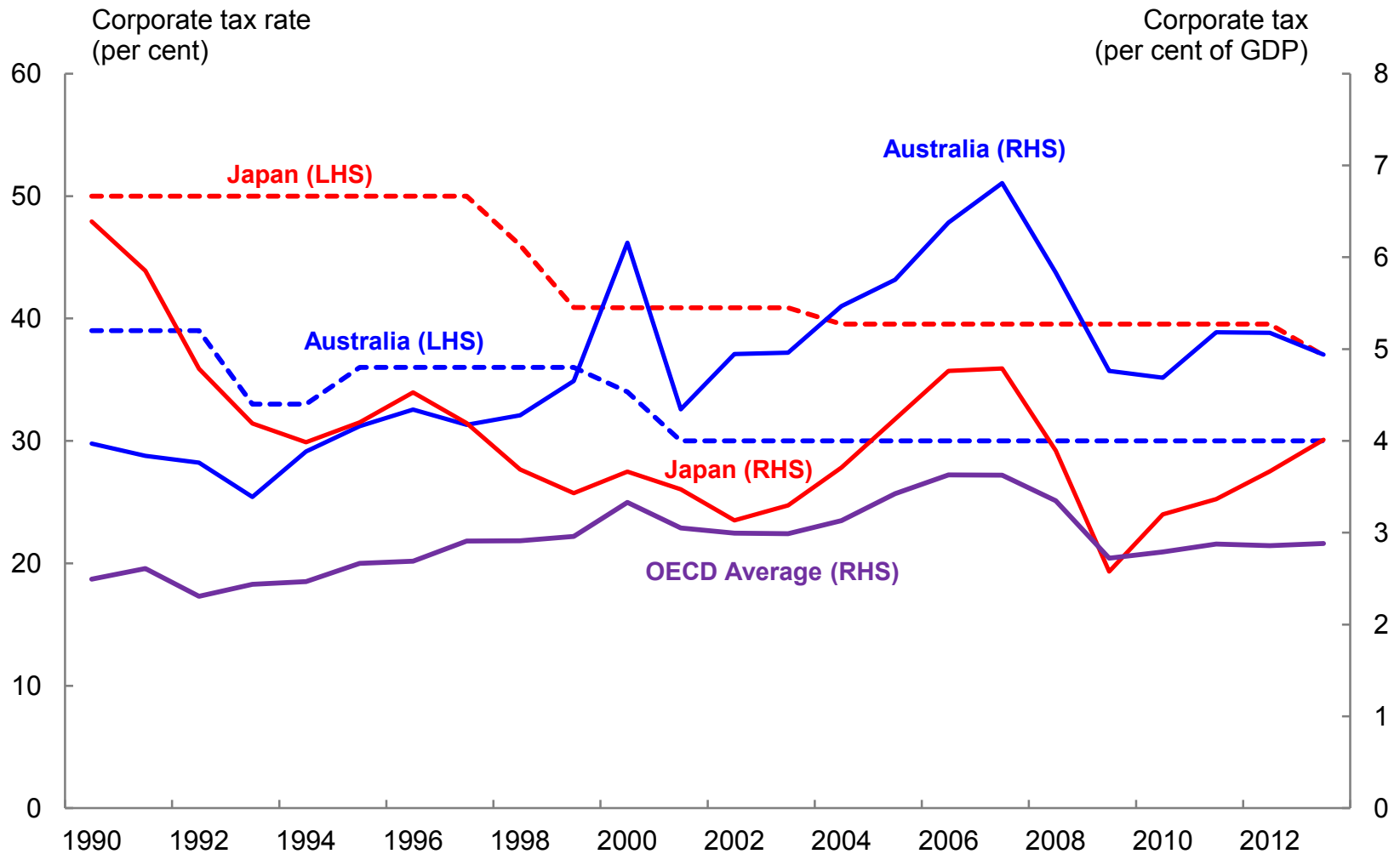
Caroline Edwards

6 April 2016

Australia's tax mix

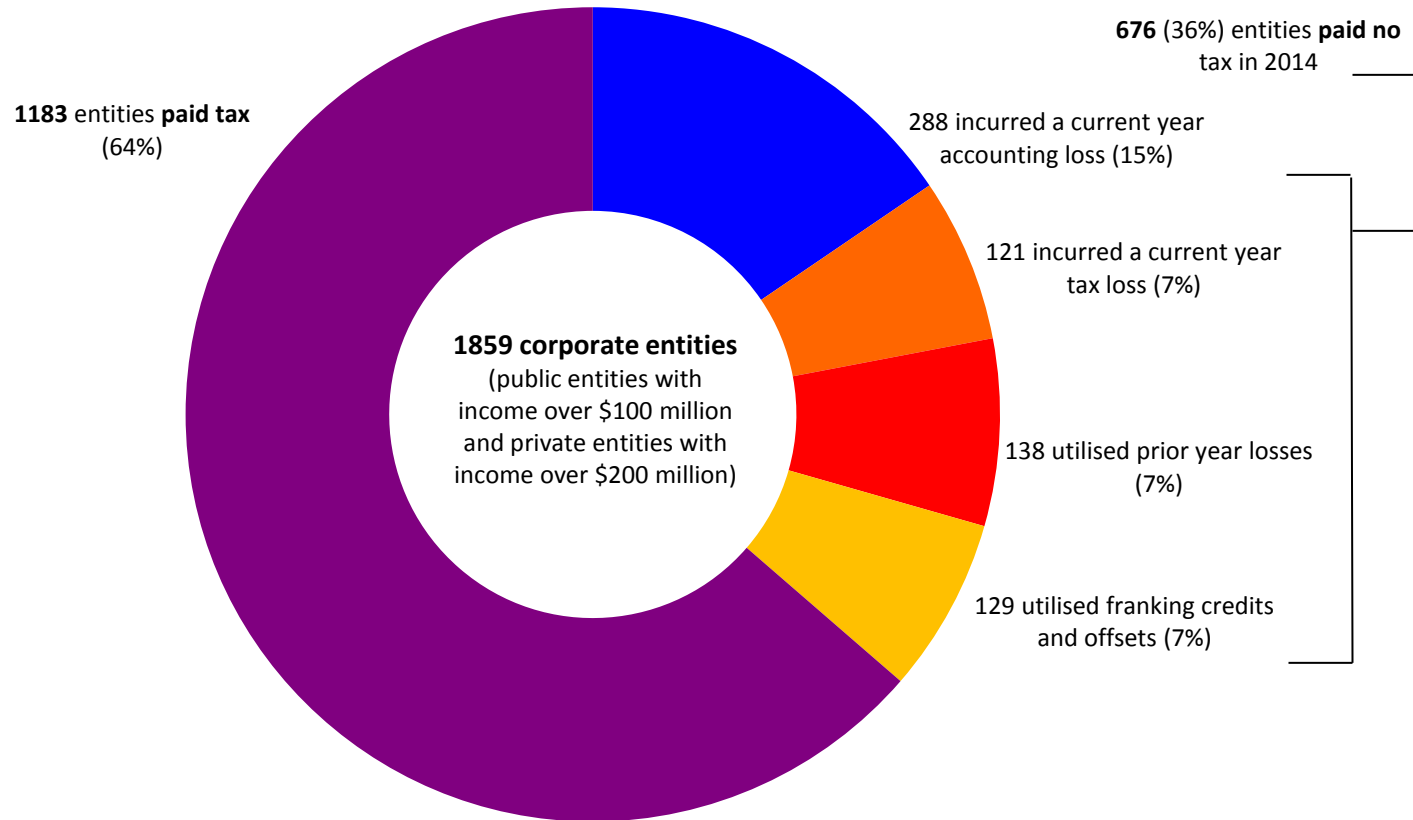


Reliance on corporate tax



Increased transparency

Publicly available information for 2013-14



Response to OECD BEPS project



Progress

Action taken

Action underway or under consideration

**Action
item**

Digital economy (1)

CFC rules (3)

Harmful tax practices (5)

Prevent treaty abuse (6)

Avoidance of PE status (7)

TP documentation (13)

Dispute resolution (14)

Neutralise hybrid mismatches (2)

Interest deductions (4)

Aligning transfer pricing outcomes with value creation (8,9 and 10)

Measuring and monitoring BEPS (11)

Mandatory disclosure rules (12)

Multilateral instrument (15)

Domestic measures complementing BEPS

Problem

Inflated interest deductions

Avoiding a taxable presence

Inflated transfer pricing

Action

Tightened thin cap rules (2014)

Multinational Anti-Avoidance Law addresses deliberate tax avoidance
Increased penalties

Transfer pricing aligned with OECD recommendations (2012)
Increased penalties

GST on imported goods and services