



Australian Government
Australian Taxation Office



BEPS Symposium

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Deputy Commissioner, International



BEPS

Recommendations and the action taken by Australia

- **ACTION 1** looks at addressing tax challenges in the digital economy
- **ACTIONS 2 – 5** seeks to reduce gaps in interactions between domestic laws
- **ACTIONS 6 – 10** intends to restore the full effect of tax rules
- **ACTIONS 11 – 14** focuses on greater transparency, certainty and predictability
- **ACTION 15** looks in to the development of a multilateral instrument

Tax Avoidance Taskforce

- Government commitment to increase existing ATO efforts to ensure multinational enterprises, and large public and private groups (and associated individuals) operating in Australia, pay the right amount of tax in Australia.
- The Taskforce has helped the ATO raise over \$4.5 billion in liabilities and collect \$2.5 billion in cash in the 2020–21 financial year. The Taskforce has surpassed its commitment to government each year since it began. Since 1 July 2016 the ATO has:
 - raised \$23.6 billion in liabilities against public groups, multinationals, wealthy individuals and associated private groups (including trusts and promoters)
 - collected over \$13.4 billion in cash.
- Supports our workforce devoted to delivering on BEPS measures.

Multinational Anti-Avoidance Law

Section 177DA Income Tax Assessment Act 1936 (ITAA 1936)

- The MAAL is a key part of the Tax Avoidance Taskforce in ensuring multinationals pay their fair share of tax in Australia. It is designed to counter ‘operate here – bill overseas’ arrangements that avoid the attribution of sales revenue to an Australian taxable presence.
- 44 taxpayers restructured in response to the MAAL.
- The MAAL has brought over \$8 billion of sales annually into the Australian tax net and has resulted in more than \$100 million per annum of additional income tax being paid.



Diverted Profits Tax



- Announced in May 2016, the DPT strengthened the ATO's ability to tackle multinational tax avoidance and reinforce the integrity of Australia's corporate tax base.
- It applies to DPT tax benefits obtained in income years commencing on or after 1 July 2017, which may include schemes that were entered into before this time.
- The DPT contains unique administrative provisions which enable the Commissioner to act on limited information and is designed to address information asymmetries and encourage taxpayer transparency and co-operation.
- The ATO issued its first DPT assessment to a large multinational taxpayer and we are progressing other cases where we believe the DPT may potentially apply.



Thank you

Questions?