


TD 93/135A1 - Addendum - Income tax: Offshore Banking Units - what is the effect of a transaction which falls within the definition of offshore banking activity, which is entered into by the part of an OBU which handles the domestic (as opposed to offshore) activities of the bank and which is accounted for in the domestic books?

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Addendum

Taxation Determination

Income tax: Offshore Banking Units – what is the effect of a transaction which falls within the definition of offshore banking activity, which is entered into by the part of an OBU which handles the domestic (as opposed to offshore) activities of the bank and which is accounted for in the domestic books?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 93/135 to update the end date of the Offshore Banking Unit regime.

TD 93/135 is amended as follows:

1. Paragraph 3

After the word 'OBU', insert new footnote 1:

¹ The OBU regime is closed to new entrants from 14 September 2021. The concessional tax treatment for existing OBUs in respect of offshore activities will be removed effective from the 2023-24 income year. Interest payments paid on or after 1 January 2024 on offshore borrowings by OBUs will no longer be exempt from withholding tax.

This Addendum applies from 13 September 2021.

Commissioner of Taxation
13 October 2021

ATO references

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