

TD 93/203A1 - Addendum - Income tax: Offshore Banking Units (OBU) - does share capital subscribed by a resident owner to its subsidiary, before that subsidiary becomes registered as an OBU, constitute 'OBU resident owner money'?

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Addendum

Taxation Determination

Income tax: Offshore Banking Units (OBU) – does share capital subscribed by a resident owner to its subsidiary, before that subsidiary becomes registered as an OBU, constitute “OBU resident-owner money”?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 93/203 to update the end date of the Offshore Banking Unit regime.

TD 93/203 is amended as follows:

1. Paragraph 1

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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