

PART 4 -

**Manual for the
National Tax Equivalent Regime
January 2022
(Version 12)**

[History:

Version 1 of the Manual released in June 2001
Version 2 of the Manual released in July 2002
Version 3 of the Manual released in March 2004
Version 4 of the Manual released in February 2005
Version 5 of the Manual released in January 2006
Version 6 of the Manual released in January 2008
Version 7 of the Manual released in March 2010
Version 8 of the Manual released in February 2012
Version 9 of the Manual released in April 2014
Version 10 of the Manual released in April 2016
Version 11 of the Manual released in October 2019]

[Archived:

History notes for amendments to the Manual made by Versions 2, 3, 4, 5 & 6 have been archived. For the wording of these history notes, see Version 8.]

PART 4: NTER GENERAL FEATURES

COMMENCEMENT DATE OF THE NTER

26. The NTER commences on 1 July 2001.

FEDERAL INCOME TAX LAWS

27. The NTER is based on the federal income tax laws, listed at Attachment 4, which are to be strictly observed by NTER entities except to the extent that those laws are expressly altered or modified by this Manual.

RELEVANT TAXATION LAWS

28. The relevant taxation laws are comprised of the federal income tax laws and the modifications thereto set out in this Manual. The relevant taxation laws constitute the administrative and technical rules to be applied in the NTER and to which NTER entities are to comply.

AVOIDANCE OF DOUBLE TAXATION

29. As a fundamental principle, the NTER will operate in a manner which ensures that:
- (i) NTER entities are not, through the NTER, subjected to actual federal income taxes; and
 - (ii) NTER entities are not subjected to double taxation involving an actual federal tax liability and an NTER tax equivalent liability in respect of the same item of income or expenditure.
30. To the extent that an actual income tax liability (i.e. non NTER tax equivalent), or double taxation, occurs then application for relief from the NTER tax equivalent liability should be lodged with the Commissioner. Such applications are to be in writing and provide all the relevant circumstances. The Commissioner will consider any such application received, and will provide relief as appropriate in accordance with this Manual.