


TD 93/132A1 - Addendum - Income tax: Offshore Banking Units - if an entity is registered as an OBU and that entity conducts both offshore banking activities and domestic banking activities, can the OBU trade in foreign currency with the domestic part of the bank (the 'domestic part')?

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Addendum

Taxation Determination

Income tax: Offshore Banking Units – if an entity is registered as an OBU and that entity conducts both offshore banking activities and domestic banking activities, can the OBU trade in foreign currency with the domestic part of the bank (the ‘domestic part’)?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 93/132 to update the end date of the Offshore Banking Unit regime.

TD 93/132 is amended as follows:

1. Paragraph 2

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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