

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')?

 This cover sheet is provided for information only. It does not form part of *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')?*

 View the [consolidated version](#) for this notice.



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

ISSN: 2205-5517

BSL: PGI

ATOlaw topic: International issues ~ Offshore banking units ~ Other

© AUSTRALIAN TAXATION OFFICE FOR THE COMMONWEALTH OF AUSTRALIA

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).