


TD 93/206A1 - Addendum - Income tax: Offshore Banking Units (OBU) - if an OBU carries on a business of trading in shares or debt instruments, such that the trading is an offshore banking (OB) activity for the purposes of subsection 121D(1), are dividends and interest derived from holding the shares or debt instruments assessable OB income?

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Addendum

Taxation Determination

Income tax: Offshore Banking Units (OBU) – if an OBU carries on a business of trading in shares or debt instruments, such that the trading is an offshore banking (OB) activity for the purposes of subsection 121D(1), are dividends and interest derived from holding the shares or debt instruments assessable OB income?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 93/206 to update the end date of the Offshore Banking Unit regime.

TD 93/206 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

ISSN: 2205-6211

BSL: PGI

ATOlaw topic: International issues ~ Offshore banking units ~ Other

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