TD 93/209A1 - Addendum - Income tax: Offshore Banking Units (OBU) - does the definition of advisory activity in subsection 121D(7) encompass: advising offshore parties on offshore infrastructure financing; and advising lessors or lessees on leasing transactions, where both lessor and lessee are offshore persons and the leased asset is not located in Australia?

This cover sheet is provided for information only. It does not form part of *TD 93/209A1 - Addendum - Income tax: Offshore Banking Units (OBU) - does the definition of advisory activity in subsection 121D(7) encompass: advising offshore parties on offshore infrastructure financing; and advising lessors or lessees on leasing transactions, where both lessor and lessee are offshore persons and the leased asset is not located in Australia?*

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TD 93/209

Addendum

Taxation Determination

Income tax: Offshore Banking Units (OBU) – does the definition of advisory activity in subsection 121D(7) encompass:

- advising offshore parties on offshore infrastructure financing; and
- advising lessors or lessees on leasing transactions, where both lessor and lessee are offshore persons and the leased asset is not located in Australia?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 93/209 to update the end date of the Offshore Banking Unit regime.

TD 93/209 is amended as follows:

1. Paragraph 2

At the end of the paragraph, insert

Note: 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.

Comm	issioner	of	Taxat	ion
13 Octo	her 202	1		

TD 93/209

ATO references

ISSN: 2205-6211 BSL: PGI

ATOlaw topic: International issues ~~ Offshore banking units ~~ Other

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