


TD 93/213A1 - Addendum - Income tax: Offshore Banking Units (OBU) - if an OBU earns fee income for completing an assignment (say advisory activities) on a success only basis, are expenses incurred on unsuccessful deals exclusive offshore banking (OB) deductions or general OB deductions?

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Addendum

Taxation Determination

Income tax: Offshore Banking Units (OBU) – if an OBU earns fee income for completing an assignment (say advisory activities) on a success only basis, are expenses incurred on unsuccessful deals exclusive offshore banking (OB) deductions or general OB deductions?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 93/213 to update the end date of the Offshore Banking Unit regime.

TD 93/213 is amended as follows:

1. Paragraph 3

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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