



# Global corporate tax developments: Australia's experience and perspectives

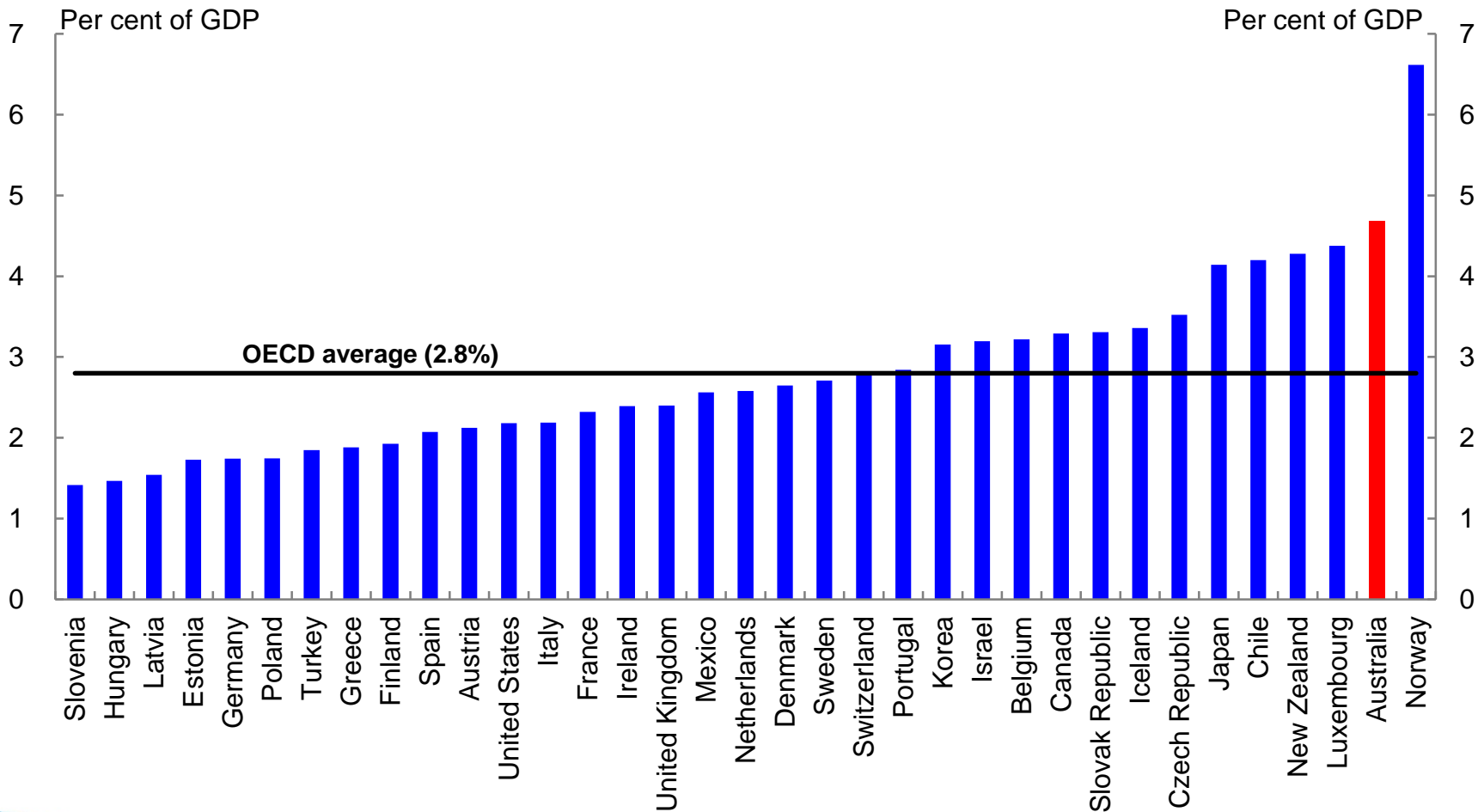
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The 9<sup>th</sup> IMF-Japan High-Level Tax Conference  
for Asian Countries

Tokyo, April 10-11, 2018

# Australia's reliance on corporate tax

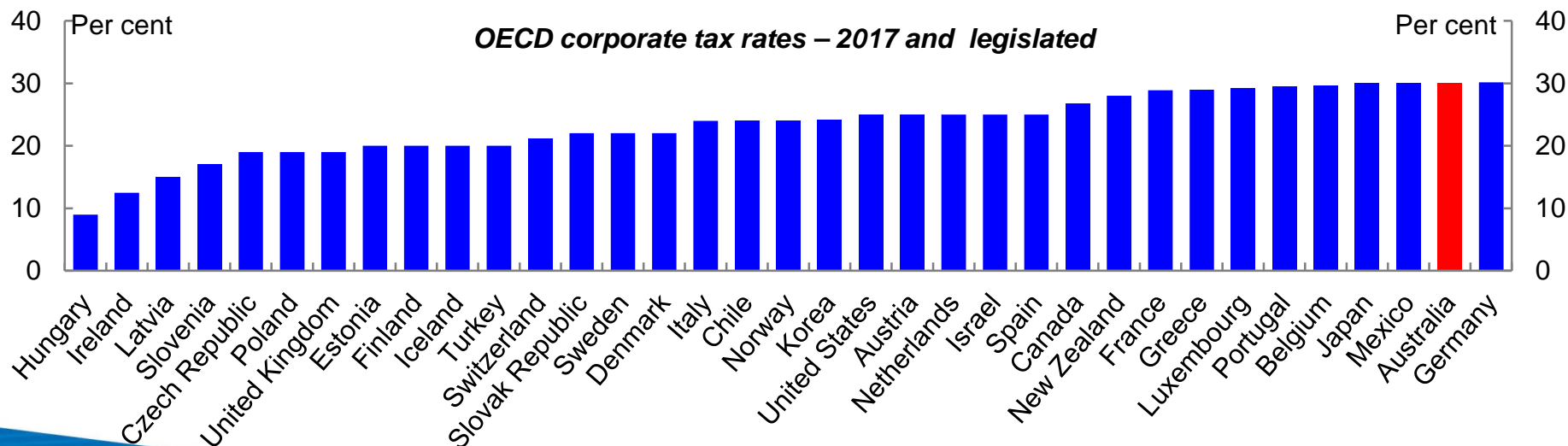
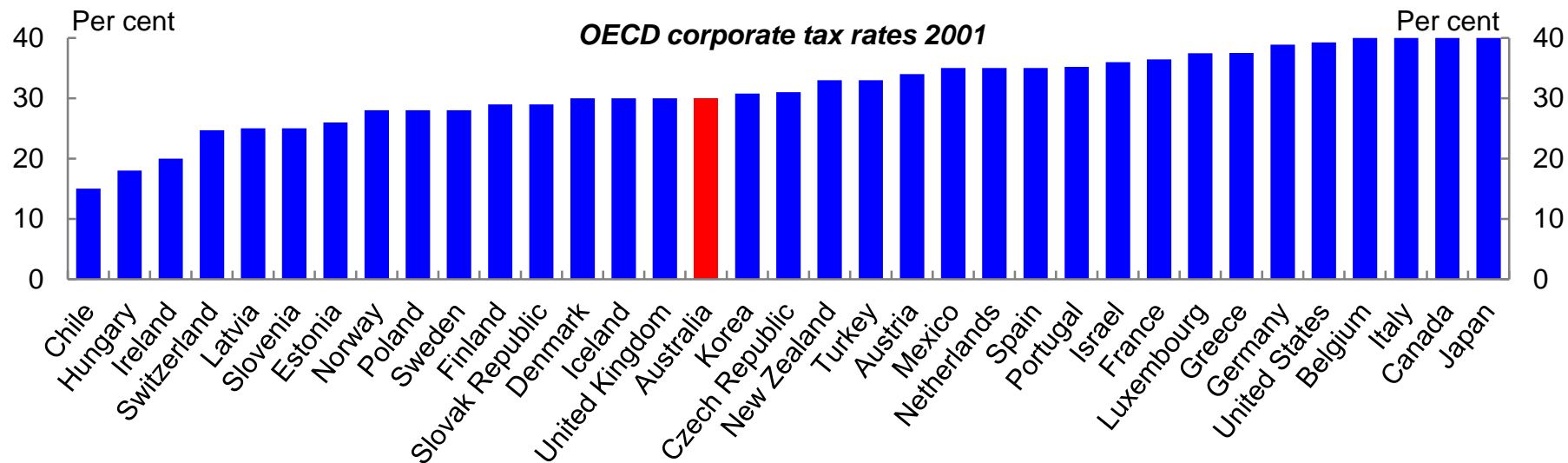


Source: OECD Revenue Statistics. Note: Taxes on corporate income as a percentage of GDP - OECD Countries, 2014. Taxes on corporate income includes taxes on income, profit and capital gains.

# Going Beyond BEPS

<b>Multinational anti-avoidance law</b>	<ul style="list-style-type: none"> <li>• Received Assent on 11 December 2015 and applies from 1 January 2016</li> <li>• Strengthens existing anti-avoidance rules</li> </ul>
<b>Diverted Profits tax</b>	<ul style="list-style-type: none"> <li>• Announced in the 2016-17 Budget as part of the Tax Integrity Package. Has been legislated and applies from 1 July 2017.</li> </ul>
<b>Voluntary tax transparency code</b>	<ul style="list-style-type: none"> <li>• Developed by the Board of Taxation with the final report released in May 2016. As at 20 March 2018, 128 organisations have committed to applying the principles and details of the Code.</li> </ul>
<b>Whistleblower protection</b>	<ul style="list-style-type: none"> <li>• Announced in the 2016-17 Budget as part of the Tax Integrity Package.</li> <li>• Takes effect from 1 July 2018.</li> </ul>
<b>Stronger penalties</b>	<ul style="list-style-type: none"> <li>• Tax avoidance penalties doubled in 2015-16 Budget from 1 July 2015. Legislated in December 2015.</li> <li>• Non lodgement penalties increased in the 2016-17 Budget as part of the Tax Integrity Package, with effect from 1 July 2017.</li> </ul>
<b>Tax Avoidance Taskforce</b>	<ul style="list-style-type: none"> <li>• Announced in the 2016-17 Budget as part of the Tax Integrity Package.</li> <li>• Led by Australian Tax Office Commissioner, Chris Jordan.</li> </ul>

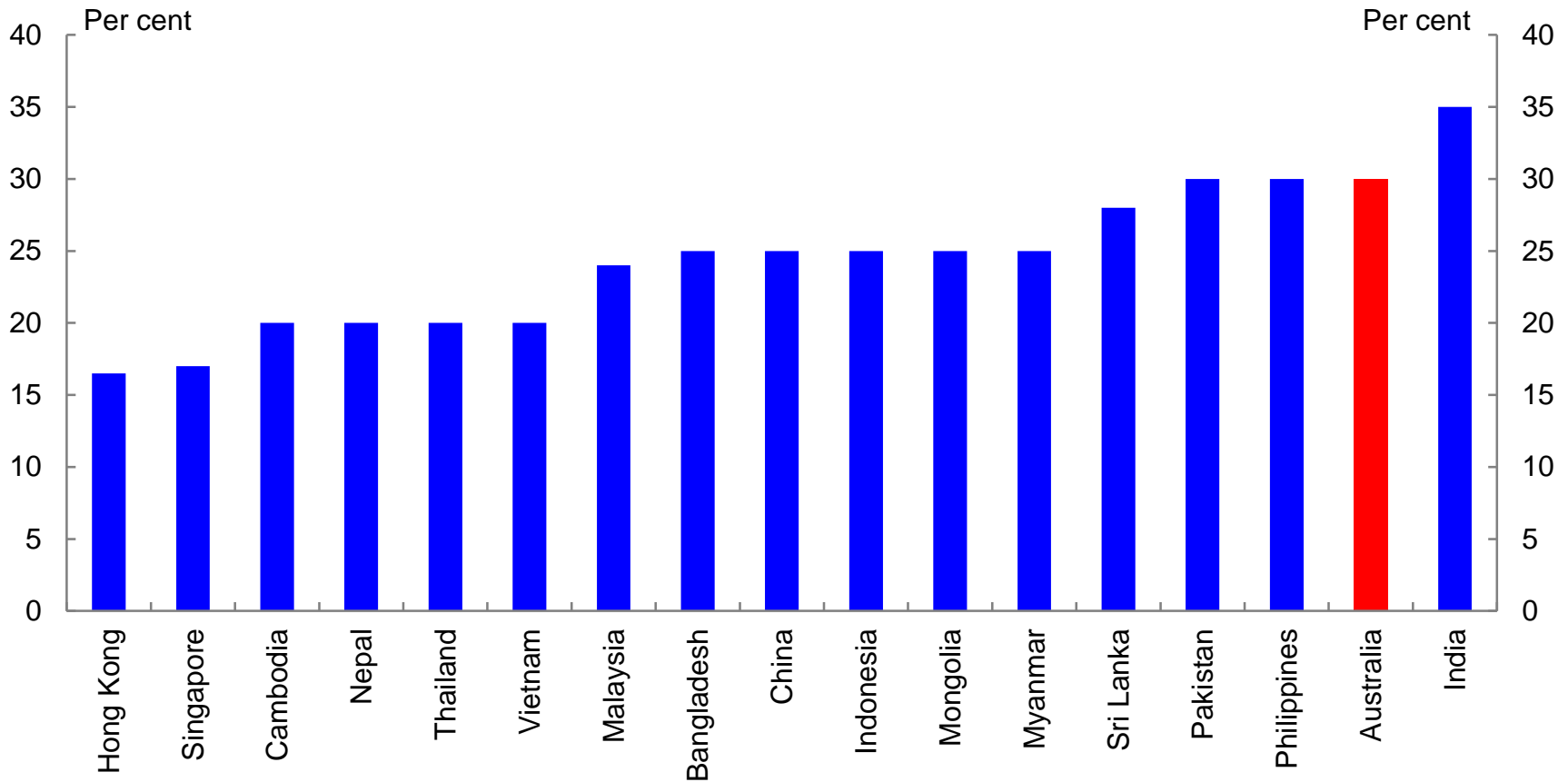
# Changing corporate tax position



Source: 2017 OECD Revenue Statistics and Treasury.

Note: All listed rates are combined central and provincial government company tax rates. All listed rates are 2017 rates except rates for the United States, France and Belgium which are announced/legislated rates to be implemented 2018-2020.

# Corporate tax rates in Asia



Source: International Bureau of Fiscal Documentation (IBFD) and publically available sources.

Note: These are general tax rates (including any surcharges) rather than those applying to specific sectors or industries, and are at a national level.

# Proposed corporate tax rate reduction under the 'Enterprise Tax Plan'

Business Turnover threshold	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
10m	27.5												
25m	30	27.5											
50m	30	30	27.5	27.5	27.5	27.5	27.5	27.5	27	26	25	25	25
100m	30	30	30	27.5									
250m	30	30	30	30	27.5								
500m	30	30	30	30	30	27.5							
1b	30	30	30	30	30	30	27.5						
All other coys	30	30	30	30	30	30	30	27.5	27	26	25	25	25

**Legislated** and **announced** schedule of rates.

# The Australian context



**THE HIDDEN BILLIONS : HOW TAX HAVENS IMPACT LIVES AT HOME AND ABROAD**  
Oxfam Research Reports

**Tax Office targets 800 Australians in global tax haven probe.** AFR

**Which of Australia's biggest companies are not paying tax**  
Nassim Khadem and Craig Butt SMH

**Australians say it's time to tackle corporate tax avoidance**  
13 April 2016 By ACTU & ASU

**ATO says 30 per cent of large private companies pay no corporate tax**  
By business reporter [Michael Janda](#) and political reporter [Stephanie Anderson](#)