



Australian Government

The Treasury

INTERNATIONAL TAX AGREEMENTS AMENDMENT BILL 2014

SUMMARY OF CONSULTATION PROCESS

On 6 November 2013, the Treasurer announced the Government's intention to give the force of law to the new Australia-Switzerland tax treaty.

Australia and Switzerland signed the new treaty, the *Convention between Australia and the Swiss Confederation for the Avoidance of Double Taxation with Respect to Taxes on Income, with Protocol* (the Swiss Treaty), on 30 July 2013.

This measure was included in the *International Tax Agreements Amendment Bill 2014*, which was introduced into Parliament on 16 July 2014.

Consultation process

Prior to the commencement of negotiations, public consultation on the desirability of an updated tax treaty with Switzerland was undertaken in February 2011. Interested parties were invited to provide submissions on how the existing Australia-Switzerland tax treaty might be best improved for individuals and businesses.

Two formal submissions were received, including one marked as confidential. Several informal submissions were also received and consultation undertaken through the Tax Treaties Advisory Panel provided feedback on the desirability of certain features in an updated treaty. In particular, the financial services sector was supportive of a new tax treaty with Switzerland, particularly in relation to reductions in withholding taxes on dividends, interest and royalties.

The submission can be viewed on the [Treasury website](#).

Consultation on the draft legislation and draft explanatory memorandum was conducted between 4 June 2014 and 18 June 2014. One submission was received from the Tax Institute, which identified the need for additional clarity in some sections of the draft explanatory memorandum. Where appropriate, amendments have been made to the draft explanatory memorandum to address these concerns.

The submission can be viewed on the [Treasury website](#).

Feedback

Feedback on the consultation process for this measure can be forwarded to consultation@treasury.gov.au.