

Section 22

From:**Sent:**

Section 22 Friday, 20 November 2015 5:12 PM

To:**Cc:****Subject:**

Section 22 Uber and Section 22 [DLM=For-Official-Use-Only]

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We have provided some amendments to the QTB on the sharing economy Section 22 that will hopefully cover off the corporate tax side of their activities. I have copied these below but please let us know if you need anything further.

- In general, business income earned by Australian residents is subject to Australian income tax. Income earned by Australian resident, for example Uber drivers, Section 22 is likely to be subject to Australian income tax, if they are considered to be operating a business.

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- Uber advised the Senate inquiry into corporate tax avoidance that funds are remitted to Uber Netherlands through their app. Around 75% of the funds are then paid to the driver.

: Therefore, for a \$100 fare, Uber Netherlands would generally retain \$25 (not subject to Australian tax) and the driver \$75 (likely to be subject to Australian tax). Uber Australia is separately paid for their costs plus 8.5 per cent (costs are determined by Uber Netherlands).

Cheers

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