



## Department of Treasury and Finance

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Kathryn Davy  
Corporate and International Tax Division  
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Dear Ms Davy,

### **COMMONWEALTH GOVERNMENT STAPLED STRUCTURES CONSULTATION PAPER**

The Victorian Department of Treasury and Finance welcomes the opportunity for consultation and has reviewed the Consultation Paper - March 2017 on the use of Stapled Structures.

We note that Stapled Structures are commonly used by private sector investors to develop public infrastructure in partnership with governments under the Public Private Partnership (PPP) procurement model.

The Stapled Structures used by the private sector in PPPs are referred to the Australian Taxation Office (ATO) Framework "Privatisation and Infrastructure — Australian Federal Tax Framework", released on 31 January 2017. This Framework states that the typical Stapled Structure that is used in PPP projects is consistent with the policy objectives and therefore are generally accepted by the ATO.

Furthermore, in collaboration with the ATO, the new PPP Request for Proposal (RFP) template for Victorian PPP projects now includes a standard open letter from the ATO to investors to inform investors of the ATO's view on compliant 'Stapled Structures' for PPP projects as referred in the Framework.

Victoria will continue to ensure that PPP procurement practices comply with the approved ATO Framework.

We would be happy to continue discussion once the public consultation is concluded.

Yours sincerely

David Webster  
Deputy Secretary Commercial