

Australia needs to update its tax treaty with the United States.

As Australia's most significant and important national partner this agreement should receive maximum attention.

One area conspicuously absent in the currency agreement is that there is no reference to the Australian superannuation system. As a pillar of Australia's wealth creation and retirement savings systems it should be explicitly dealt with in the agreement to avoid the murky legal grounds around different treatment.

To fully encourage true cross-border participation DTAs and tax treaties should consider the flow of LABOUR and not just capital.

Australians working in the United States then returning to Australia should have a mechanism to transfer IRA/401k accounts to Australia - particularly as FATCA may prohibit the accounts remaining open.

Withdrawals from superannuation accounts after retirement age should not be taxable to US tax residents.

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