

28 April 2023

Mr Marty Robinson
First Assistant Secretary
Corporate and International Tax Division
The Treasury
Langton Crescent
PARKES ACT 2600

(via email: MNETaxIntegrity@treasury.gov.au)

Dear Mr Robinson,

RE: Public Country-by-Country Reporting Tax Transparency Measures

The Australian Petroleum Production & Exploration Association (**APPEA**) is the peak national body representing companies actively engaging in oil and gas exploration and production in Australia. APPEA welcomes the opportunity to make a submission to Treasury on the *Treasury Laws Amendment (Measures for Future Bills) Bill 2023: Multinational tax transparency – Tax changes Exposure Draft (ED)* and accompanying Explanatory Memorandum (**EM**).

APPEA has had the opportunity to review the submission by the Corporate Tax Association (**CTA**) dated 28 April 2023. We fully support and endorse the commentary and recommendations contained within the CTA submission. In particular:

- We share the frustration that large corporations continue to be painted as bad corporate citizens when they are among the most compliant companies in the world, have significant governance processes, and voluntarily publish tax transparency reports. Yet these companies - including those that operate in Australia's oil and gas industry - are subject to continual attacks as result of misinformed public commentary driven by the ATO's misrepresentation of its tax gap data and selective commentary in its tax transparency reporting.
- We note that the ED overreaches considerably and recommend that mandates requiring disclosures beyond the European Union (**EU**) tax transparency standards be removed.
- The cost of compliance associated with going beyond the EU standards will significantly outweigh the benefits derived from marginal increases to tax transparency. This only seeks to increase regulatory red tape at a time when Australia should be looking to reduce the burden on corporate citizens that remain the engine room of the Australian economy.



It is critically important the policy settings and legislative frameworks are designed to attract investment in Australia. As such, it is also important that the government provides clear direction on the implementation of the Extractives Industry Transparency Initiative, and whether Australia will seek candidacy. A decision on this must be considered in the context of other transparency measures being contemplated at this time.

If you require further information or would like to discuss the comments above, please do not hesitate to contact me on 0403 152 157, or at [sstaples@appea.com.au](mailto:ss Staples@appea.com.au).

Yours sincerely

Simon Staples
Director – Policy & Capital Markets