

EXPOSURE DRAFT

2013-2014

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT

International Tax Agreements Amendment Bill 2014

No. , 2014

(Treasury)

**A Bill for an Act to amend the law relating to
taxation, and for related purposes**

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A Bill for an Act to amend the law relating to taxation, and for related purposes

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *International Tax Agreements Amendment Act 2014*.

2 Commencement

This Act commences on the day this Act receives the Royal Assent.

3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

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Schedule 1 Amendments

Part 1 Convention with Switzerland

1 **Schedule 1—Amendments**

2 **Part 1—Convention with Switzerland**

3 *International Tax Agreements Act 1953*

4 **1 Subsection 3AAA(1) (definition of *Swiss agreement*)**

5 Repeal the definition.

6 **2 Subsection 3AAA(1)**

7 Insert:

8 *Swiss convention* means:

9 (a) the Convention between Australia and the Swiss
10 Confederation for the Avoidance of Double Taxation with
11 respect to Taxes on Income; and

12 (b) the protocol to that convention;
13 each done at Sydney on 30 July 2013.

14 Note: In 2013, the text of this convention and protocol was accessible
15 through the Australian Treaties Library on the AustLII website
16 (www.austlii.edu.au).

17 **3 Subsection 3AAB(1)**

18 Insert:

19 *Swiss 1980 agreement* means:

20 (a) the Agreement between Australia and Switzerland for the
21 avoidance of double taxation with respect to taxes on income;
22 and

23 (b) the protocol to that agreement;
24 each done at Canberra on 28 February 1980.

25 Note 1: The text of this agreement and protocol is set out in Australian Treaty
26 Series 1981 No. 5 ([1981] ATS 5).

27 Note 2: Section 11E continues to give this agreement and protocol the force of
28 law in respect of certain income or fringe benefits.

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Amendments **Schedule 1**
Convention with Switzerland **Part 1**

1 **4 Subsection 5(1) (after table item dealing with Sri Lankan**
2 **agreement)**

3 Insert:

Swiss convention

nil

4 **5 Section 5A**

5 Before the table, insert:

6 Note: Some earlier agreements continue to have the force of law by other
7 provisions of this Act.

8 **6 Section 11E (heading)**

9 Repeal the heading, substitute:

10 **11E Earlier agreement with Switzerland**

11 **7 Section 11E**

12 Omit “Subject to this Act, on and after the date of entry into force of the
13 Swiss agreement, the provisions of the agreement, so far as those
14 provisions affect Australian tax, have, and shall be deemed to have
15 had.”, substitute “Subject to this Act, the provisions of the Swiss 1980
16 agreement, so far as those provisions affect Australian tax, continue to
17 have”.

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Schedule 1 Amendments
Part 2 Other amendments

1 **Part 2—Other amendments**

2 ***International Tax Agreements Act 1953***

3 **8 After subsection 3(4)**

4 Insert:

5 (5) To the extent that an agreement provides that the expression
6 ***immovable property*** has the meaning it has under the law of
7 Australia, that expression, for the purposes of that agreement,
8 includes real property.

9 **9 Subsection 3AAA(1) (note at the end of the definition of**
10 ***Chilean convention*)**

11 Repeal the note, substitute:

12 Note: The text of this convention is set out in Australian Treaty Series 2013
13 No. 7 ([2013] ATS 7).

14 **10 Subsection 3AAA(1) (note at the end of the definition of**
15 ***Indian protocol (No. 1)*)**

16 Repeal the note, substitute:

17 Note: The text of this protocol is set out in Australian Treaty Series 2013
18 No. 22 ([2013] ATS 22).

19 **11 Subsection 3AAA(1) (note at the end of the definition of**
20 ***Mauritius agreement*)**

21 Repeal the note, substitute:

22 Note: The text of this agreement is set out in Australian Treaty Series 2013
23 No. 18 ([2013] ATS 18).

24 **12 Subsection 3AAA(1) (note at the end of the definition of**
25 ***Turkish convention*)**

26 Repeal the note, substitute:

27 Note: The text of this convention is set out in Australian Treaty Series 2013
28 No. 19 ([2013] ATS 19).