

NEW TAX INFORMATION EXCHANGE AGREEMENT WITH SINGAPORE

The Assistant Treasurer, Senator Nick Sherry, at a ceremony in Canberra, has today signed an amended tax treaty between Australia and Singapore, enabling the greater exchange of information on potential tax abuse.

'Exchange of information'; is the process by which countries share taxpayer information, including for the purpose of combating offshore tax evasion.

"This is a significant step in enhancing Australia's efforts to combat tax avoidance and stamp out evasion," the Assistant Treasurer said.

"It will support global cooperation on tax matters and improve information exchange and transparency – important priorities for the G20."

"The Australian Government is determined to ensure all taxpayers meet their tax obligations and the signing of this protocol will help this aim."

"It's also another signal to those jurisdictions operating as tax havens that countries such as Australia and now Singapore are determined to work together to end tax avoidance."

The treaty, which was signed for Singapore by its High Commissioner to Australia, His Excellency, Mr Albert Chua, will give tax authorities in both countries greater ability to exchange taxpayer information and to exchange information on a wider range of taxes.

The treaty also provides that neither tax authority can refuse to provide information solely because it does not require the information for its own domestic purposes, or because the information is held by a bank or similar institution.

"Australia welcomes Singapore's commitment to include in its treaties the internationally agreed tax standard for exchange of information," the Assistant Treasurer said.

"Australia also appreciates Singapore's efforts to swiftly amend its domestic law to facilitate full exchange of information with its treaty partners."

The new protocol will enter into force 30 days after both countries advise that they have completed their domestic requirements.

Legislation for this purpose will be introduced into the Australian Parliament as soon as practicable.

CANBERRA

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