

## TAX CO-OPERATION AGREEMENTS WITH JERSEY

The Assistant Treasurer, Senator Nick Sherry, today announced the signing of a tax information exchange agreement (TIEA) and an agreement for the allocation of taxing rights over certain income of individuals between Australia and Jersey.

Concluding TIEAs with offshore financial centres supports Australian Government initiatives to combat offshore tax avoidance and evasion.

"The Rudd Government wants to ensure the continued integrity of our tax system by ensuring all Australians pay their fair share of tax whilst also co-operating with international efforts to curb tax evasion."

"This TIEA will provide for bilateral exchange of information (EOI), on request, for civil and criminal tax matters, and demonstrates Australia's ongoing commitment to implementing standards of transparency and effective EOI for tax purposes, as developed by the OECD and endorsed by the G-20 and the United Nations," the Assistant Treasurer said.

"This is the sixth TIEA signed by Australia, and Australia welcomes Jersey's constructive engagement in this area."

"The agreements will also benefit Australians by removing some tax obstacles that exist between the two countries," the Assistant Treasurer said.

In particular, the agreement to allocate taxing rights over certain income of individuals and to establish a mutual agreement procedure for transfer pricing adjustments will eliminate double taxation of certain income and provide a mechanism to help resolve transfer pricing disputes.

The agreements come into force once both countries have completed domestic requirements. Legislation will shortly be introduced into the Australian Parliament.

In addition to these agreements, Australia will remove any governmental references to Jersey as a tax haven and, following entry into force of the TIEA, will move to list Jersey as an 'information exchange country' in the Taxation Administration Regulations 1976. This will provide Jersey residents with access to reduced withholding tax rates on distributions of certain income they may receive from Australian managed investment trusts.

Copies of the agreements are available on the [Treasury website](#).

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