



ASSISTANT TREASURER

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**PRESS
RELEASE**

AUSTRALIA SIGNS ADDITIONAL BENEFITS AGREEMENTS WITH A FURTHER THREE JURISDICTIONS

The Assistant Treasurer, Senator Nick Sherry, has today announced that agreements for the allocation of taxing rights with the Isle of Man, Jersey and the British Virgin Islands have come into force.

These Additional Benefits Agreements (ABAs) help to prevent double taxation by allocating the taxing rights over certain income of pensioners, students and government employees who are resident of Australia, the Isle of Man, Jersey or the British Virgin Islands.

The ABAs also provide for a mechanism to deal with disputes arising from transfer pricing adjustments.

The ABA with the Isle of Man entered into force on 18 March 2010, the ABAs with the British Virgin Islands and Jersey entered into force on 12 April 2010 and 15 April 2010 respectively.

“These arrangements are part of the new taxation and financial relationship between Australia and these countries,” the Assistant Treasurer said.

“These three jurisdictions have also signed Tax Information Exchange Agreements with Australia, as part of the global push for greater tax transparency in the financial system.”

“Australia has committed, through the Tax Office, to providing technical assistance to these countries in order to bolster their technical capacity,” the Assistant Treasurer said.

“The ATO is available to lend support to our treaty partners on request, on subjects ranging from exchange of information best practice to sharing our taxpayer compliance strategies.”

“These programs will enable our treaty partners to more effectively administer their tax codes and help them in the fight against tax evasion,” the Assistant Treasurer said.

Copies of the agreements are available on the Treasury website.

CANBERRA

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