



ASSISTANT TREASURER

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**PRESS
RELEASE**

GOVERNMENT TO UPDATE AUSTRALIA-INDIA TAX TREATY

Assistant Treasurer, Senator Nick Sherry, today announced that Australia and India will shortly commence discussions to update their existing tax treaty.

“The Government is committed to ensuring that Australia’s tax treaties continue to facilitate cross-border trade and investment while maintaining the integrity of the tax system,” the Assistant Treasurer said.

“The existing treaty was signed in 1991 and these latest discussions will provide an opportunity to make any necessary updates to accommodate modern business practice and current international treaty policy.”

“I am pleased to announce these discussions with India – one of Australia’s most important and growing trading partners.”

In 2009, India was Australia’s third-largest export market, with two-way goods and services trade totalling \$20.9 billion. Australian merchandise exports to India reached \$14.5 billion in 2009, which represents 7.4 per cent of Australia’s total merchandise exports.

“Concluding a modern tax treaty with India will be an important step in achieving the Government’s goal of updating Australia’s tax treaty network with key trade and investment partners,” the Assistant Treasurer said.

“I am inviting interested parties to provide comments on how the 1991 Australia-India treaty might be enhanced to better reflect the needs of individuals and businesses. Written submissions are sought by 13 August 2010.”

A copy of the existing tax treaty is available at www.treasury.gov.au.

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