

International tax update

1 July 2015

OECD common reporting standard

On 3 June 2015, the Treasurer announced that Australia had signed the Organisation for Economic Co-operation and Development's (OECD) common reporting standard (CRS) Multilateral Competent Authority Agreement which enables automatic exchange of CRS information between countries. Australia proposes to implement the CRS from 1 January 2017, with the first exchange of information in 2018.

Renegotiated tax treaty with Germany

On 16 June 2015, the Treasurer announced that Australia and Germany are formally starting negotiations on a new Double Tax Agreement. The existing Treaty was signed in 1972. In his media statement, the Treasurer said that the discussions will focus on Australia can maximise efficiency in its trade and investment relationship by ensuring that double taxation is minimized, while also seeking to tighten the rules to address base erosion and profit shifting to ensure multinationals pay their fair share of tax consistent with current OECD and G20 objectives.

For further information, contact Christian Holle on +61 (2) 8266 5697.

New Zealand: TaxTips 6/2015

See [Tax Tips 6/2015](#) for a round-up of the latest tax developments in New Zealand, including the tax aspects of the 2015 New Zealand Budget.

New Zealand: New property tax rules

The [Taxation \(Land Information and Offshore Persons Information\) Bill](#), introduced into New Zealand (NZ) Parliament on 23 June 2015, proposes to strengthen the NZ property tax rules by requiring buyers and sellers of property to provide their NZ Inland Revenue Department number (or for NZ non-residents, their home jurisdiction tax identification number) at the time of property transfer.

OECD and automatic exchange of information

On 4 June 2015, the OECD announced that Australia, Canada, Chile, Costa Rica, India, Indonesia and New Zealand had joined the multilateral agreement to automatically exchange

information under the OECD/G20 Standard. The Standard provides for annual automatic exchange between governments of financial account information, including balances, interest, dividends and sales proceeds from financial assets. It covers accounts held by individuals and entities, including trusts and foundations.

Base erosion and profit shifting (BEPS)

Documents released by the OECD during the last months in relation to BEPS include:

- [Discussion Draft](#) on BEPS Action 8, transfer pricing and hard-to-value intangibles. This discussion draft sets out an approach to hard-to-value intangibles and proposes revisions to the guidance in Section D.3 of the 2014 BEPS Report "Guidance on Transfer Pricing Aspects of Intangibles". See PwC's Tax Insights publication regarding this Discussion Draft.
- [Implementation Package](#) for BEPS country-by-country reporting, which will facilitate a consistent and swift implementation of new transfer pricing

reporting standards developed under Action 13 of the BEPS Action Plan, ensuring that tax administrations obtain a complete understanding of the way multinational enterprises structure their operations, while also ensuring that the confidentiality of such information is safeguarded.

For further updates on BEPS is available on [this linked PwC website](#).

OECD: Mauritius and El Salvador have signed multilateral convention on tax matters

The OECD has announced that Mauritius and El Salvador have each signed the [Multilateral Convention on Mutual Administrative Assistance in Tax Matters](#). In its media

statements, the OECD describes the Convention as providing a comprehensive multilateral framework for the exchange of information and assistance in tax collection, with its coverage including administrative assistance between tax authorities for information exchange on request, automatic exchange of information, simultaneous tax examinations and assistance in the collection of tax debts.

Let's talk

For a deeper discussion of how these issues might affect your business, please contact:

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