

TAX ALERT
AUSTRALIAN PARLIAMENT PASSES MULTILATERAL INSTRUMENT BILL –
AUSTRALIA/SOUTH AFRICA TAX TREATY TO BE AMENDED
23 August 2018

The (Australian) Treasury Laws Amendment (OECD Multilateral Instrument) Bill 2018 has now passed both Houses and awaits Royal Assent. This important Bill will implement changes to Australia's tax treaties, subject to Australia's partner jurisdictions signing and ratifying the Multilateral Convention.

According to the related Explanatory Memorandum:

- “Based on the known or proposed adoption positions of other Signatories to the Multilateral Convention, the Convention is expected to modify 31 of Australia's 44 bilateral tax agreements: Argentina, Belgium, Canada, Chile, China, the Czech Republic, Denmark, Fiji, Finland, France, Hungary, India, Indonesia, Ireland, Italy, Japan, Malaysia, Malta, Mexico, the Netherlands, New Zealand, Norway, Poland, Romania, Russia, Singapore, the Slovak Republic, **South Africa**, Spain, Turkey and the United Kingdom”.
- “The date on which the provisions of the Multilateral Convention take effect to modify the application of Australia's Covered Tax Agreements is contingent upon the completion by Australia's partner jurisdictions of their domestic ratification processes. This means that the date of effect of the Multilateral Convention on each of Australia's Covered Tax Agreements will vary”.

CAs advising on cross-border tax issues are urged to conduct training sessions on the Bill and develop an understanding of its potential impact on Australia's tax treaties.

For more information, read the related [media release](#).

Source: Chartered Accountants Australia & New Zealand