

Treasury Laws Amendment (Australia‑India Economic Cooperation and Trade Agreement Implementation) Act 2022

No. 60, 2022

An Act to amend the law relating to taxation, and for related purposes

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Treasury Laws Amendment (Australia-India Economic Cooperation and Trade Agreement Implementation) Act 2022

No. 60, 2022

An Act to amend the law relating to taxation, and for related purposes

[*Assented to 23 November 2022*]

The Parliament of Australia enacts:

1 Short title

 This Act is the *Treasury* *Laws Amendment (Australia‑India Economic Cooperation and Trade Agreement Implementation)* *Act 2022*.

2 Commencement

 (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

| Commencement information |
| --- |
| Column 1 | Column 2 | Column 3 |
| Provisions | Commencement | Date/Details |
| 1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table | The day this Act receives the Royal Assent. | 23 November 2022 |
| 2. Schedule 1 | The later of:(a) the day this Act receives the Royal Assent; and(b) the day the Australia‑India Economic Cooperation and Trade Agreement, done at Melbourne and New Delhi on 2 April 2022, enters into force for Australia.However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.The Minister must announce, by notifiable instrument, the day the Agreement enters into force for Australia. | 29 December 2022(paragraph (b) applies)(F2022N00329) |

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

 (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

 Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Adjustment to tax on certain payments or credits made to Indian residents

International Tax Agreements Act 1953

1 Subsection 5(1) (table item dealing with the Indian agreement)

Omit “nil”, substitute “section 11J”.

2 Subsection 5(1) (table item dealing with the Indian protocol (No. 1))

Omit “nil”, substitute “section 11J”.

3 After section 11H

Insert:

11J Agreement with India

 The Indian agreement (as amended by the Indian protocol (No. 1)) does not have the effect of subjecting to Australian tax any payments or credits, whether periodical or not, and however described or computed, to the extent to which they:

 (a) are made as consideration for the rendering of any services covered by paragraph 12(3)(g) of that agreement (as amended); and

 (b) are not royalties (within the meaning of the *Income Tax Assessment Act 1936*); and

 (c) would, apart from paragraph 12(3)(g) and Article 23 of that agreement (as amended), not be subject to Australian tax.

Note: This section does not prevent payments or credits from being subjected to Australian tax because of another provision of that agreement. For example, because of Articles 7 and 23 of that agreement.

4 Application of amendments

The amendments made by this Schedule apply in relation to assessments for years of income starting on or after the commencement of this Schedule.

[*Minister’s second reading speech made in—*

*House of Representatives on 28 September 2022*

*Senate on 21 November 2022*]

(91/22)