



Centre for  
International  
Corporate Tax  
Accountability  
and Research



International Tax Unit  
Corporate and International Tax Division  
Treasury  
Langton Cres  
Parkes ACT 2600  
E-mail: MNETaxIntegrity@treasury.gov.au

**Centre for International Corporate Tax Accountability &  
Research, Tax Justice Network – Australia and the  
Community and Public Sector Union Joint Submission on  
inquiry into *Treasury Laws Amendment (Making  
Multinationals Pay Their Fair Share – Integrity and  
Transparency) Bill 2023*  
30 October 2023**

The Tax Justice Network Australia (TJN-Aus), Community and Public Sector Union and the Centre for International Corporate Tax Accountability and Research (CICTAR) welcome this opportunity to make a joint submission to the inquiry into the *Treasury Laws Amendment (Making Multinationals Pay Their Fair Share – Integrity and Transparency) Bill 2023*.

Ensuring multinationals pay a fair share of corporate income tax is necessary for the broader integrity of the tax system and to level the playing field for all businesses, particularly small and medium sized enterprises. In addition to direct efforts to close loopholes for multinational tax avoidance and raise revenues for public services, we note that transparency efforts can increase corporate income tax revenue through shifting both corporate behaviour and public attitudes towards fair taxation. Since the COVID-19 global pandemic, there is a growing awareness of the essential need for well-funded public health systems and an understanding that additional revenues will be needed to pay for the increased government support provided to the community through the pandemic. There is also growing awareness that increased public investments are needed for aged care, early childhood education, disability services and income support and that these investments will create a better society and stronger economic future for all. Increasing income tax revenues from multinationals is an important part of the solution and increasing fairness and broad-based economic growth.

We are disappointed that the amendments appear to reduce the safeguards against a corporation trying to play the law to aggressively minimise its tax contribution to the Australian community. However, we note that the Commissioner of Taxation will still be required to assess if choices made under Subdivision 820-AA were reasonable and have a genuine basis, and not as part of aggressive tax planning.

We welcome that the safeguard will remain in the third-party debt test to prohibit multinational enterprises from having an unfettered ability to 'debt dump' third-party debt in Australia that is recoverable against the global group.

Jason Ward  
Principal Analyst  
CICTAR  
Phone: 0488 190 457  
@JasonWardCICTAR  
Email: [jason.ward@cictar.org](mailto:jason.ward@cictar.org)

Dr Mark Zirnsak  
Secretariat  
Tax Justice Network Australia  
c/- 29 College Crescent  
Parkville, Victoria, 3052  
Phone: 0409 166 915  
E-mail: [mark.zirnsak@victas.uca.org.au](mailto:mark.zirnsak@victas.uca.org.au)

Michael Tull  
Assistant National Secretary  
Community and Public Sector Union  
(PSU Group)  
Phone: 0418 557 380  
E-mail: [michael.tull@cpsu.org.au](mailto:michael.tull@cpsu.org.au)