

# Cross Border Summary

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1. New Significant Investor 888 Visas
  - a) Can elect Temporary Tax Residency
  - b) 3 basic options for investment
2. Foreign Investment Review Board (“FIRB”), Foreign Acquisitions and Takeovers Act (“FATA”)
3. Almost always corporate structures post CGT changes
4. Thin Capitalisation debt to equity mix
5. Transfer Pricing re interest, management fees from related parties
6. WHT on interest & unfranked dividends

## 1. Basic Rules

- a) Residency linked to Management & Control
- b) DTA can vary general rules
- c) Transfer Pricing for related parties
- d) Some credits for foreign withholding
- e) No Imputation benefits inside corporate groups

1. Controlled Foreign Corporations (“CFC”)
  - a) Deeming provisions and attribute income
  - b) Exemption for “Active Income Test”
  - c) Can’t have >5% Tainted income
  - d) Modernisation “pending”
  - e) Changes proposed to exempt dividends where “debt” in nature, also proposed to limit interest deductions
2. International Dealings Schedule in Tax Returns
3. Restructure rules complex