

Australia

Introduction

Our Location Offer

AUSTRALIA Location Offer

Australia has one of the most stable economic, political and social environments in the region. Its government and regulatory institutions are reliable, transparent, impartial and internationally competitive - providing investors with a safe and secure business framework.

Australia has one of the strongest economies in the world, with almost two consecutive decades of growth and the unemployment rate falling to generational lows. As a result of nearly three decades of structural and policy reforms the economy is flexible, resilient and increasingly integrated with global markets.

The strength of Australia's economy has been highlighted in recent years by its ability to withstand a number of internal and external events, including a major drought, a housing boom and the global financial and economic crises which began in 2008.

Australia's economic strengths, world leading corporate governance standards, innovative skills base, cultural diversity and political stability make it a very attractive investment destination.

Australia is endowed with a resource base which has underpinned the development of our great mining and agricultural industries. Today Australia has a sophisticated, modern economy with services industries dominating economic activity.

Australia's attraction as an investment destination is undeniable. One of the most resilient economies in the world, Australia is the gateway to the world's fastest growing region, the Asia-Pacific.

In its 2008 Economic Survey of Australia, the Organisation for Economic Co-operation and Development (OECD) described Australia's macroeconomic performance as impressive, with GDP above average growth since 2000. After weathering the global financial crisis well in 2008 - 09, the Australian economy is projected to experience strong growth in 2010 and 2011, above its trend rate.

Areas of economic advantage

As a result of the continuous structural and policy reforms implemented since the 1970s, Australia today has a sound, stable and modern institutional and regulatory structure that provides certainty to business and offers a welcoming destination for investment.

Australia has lowered barriers to trade and investment and there is substantial competition across the economy.

Today, Australia's infrastructure is extensive and world class, providing individuals and businesses with efficient and reliable domestic and international transport services; communications and information technology; utilities and power distribution systems; and financial services.

Changes to, and simplification of, the tax system have also led to significant reductions in business costs, especially for exporters. The goods and services tax (GST) is levied at 10 per cent and applies to almost all goods and services. There is no stamp duty on share transactions and the corporate tax rate is 30 per cent. The government also provides tax incentives to encourage businesses to invest in research and development.

Australia continues to build on the twin foundations of domestic structural reform and increased international market access, won through a competitive and innovative export base and a strong commitment to world trade liberalisation.

Australia's two-way trade in goods and services was valued at \$507 billion in 2009. China is Australia's largest trading partner, followed by Japan, the United States, Korea, the United Kingdom and Singapore.

Australia is a major regional financial centre, with a sophisticated financial system and transparent markets. According to the most recent Global Stock Market Review by Standard and Poor's, Australia's stock market is the ninth largest in the world in total market capitalisation terms and the second largest in the Asia-Pacific region, after Japan's.

Key industries for foreign investment

Australia

Australia welcomes foreign investment. It recognises the important role of foreign investment in boosting economic growth, developing competitive industries, creating jobs and increasing exports. Australia welcomes investment in all industries and sub-sectors, with particular interest in:

- * financial services
- * clean energy and environment
- * advanced manufacturing
- * health and biotechnology
- * infrastructure
- * agribusiness
- * ICT
- * mining and resources
- * professional and business services
- * education, creative industries, sport, and tourism

Australia is also an attractive location for international companies wanting to establish a regional base to take advantage of the growing business opportunities in the Asia - Pacific region and to enter Australia's highly developed domestic market.

Companies are attracted by Australia's competitive operating costs, compared to rival regional hubs, and high local skill levels. Other factors in Australia's favour include:

- * innovative culture with excellent R&D and infrastructure
- * sophisticated financial, legal and management support services
- * cost-competitive location
- * strategic location in the fast-growing Asia-Pacific region
- * affinity with Asia, coupled with American-European trade links and business environment
- * attractive, safe and friendly environment, and
- * an Asian-oriented, culturally diverse and multilingual society.

Australia also has a business-friendly regulatory environment. According to the World Bank, Australia is amongst the fastest places in the world in which to start a business, with regulatory procedures taking just two days.

The OECD has also identified Australia as having the fewest restrictions on product markets of all of its 30 member countries, the lowest level of public ownership of business and the least restrictive impact of business regulation on economic behaviour.

Key facts

- * Australia has had almost two decades of economic growth.
- * Since 1991, Australia's real economy has grown by an average of around 3 per cent a year.
- * Australia has strong global trade networks, with two-way trade in goods and services in 2009 valued at \$507 billion.

Further information (Links)

- * Australian Securities Exchange (<http://www.asx.com.au>)
- * Australian Trade Commission (<http://www.austrade.gov.au>)
- * Department of Foreign Affairs and Trade (<http://www.dfat.gov.au>)
- * Department of Innovation, Industry, Science and Research (<http://www.innovation.gov.au>)
- * Department of the Treasury (<http://www.treasury.gov.au>)

Australia

* Foreign Investment Review Board (<http://www.firb.gov.au>)

Introduction to investment regime

The Government welcomes foreign investment. It has helped build Australia's economy and will continue to enhance the wellbeing of Australians by supporting economic growth and prosperity.

Foreign investment brings many benefits. It supports existing jobs and creates new jobs, it encourages innovation, it introduces new technologies and skills, it brings access to overseas markets and it promotes competition amongst our industries.

The Australian Bureau of Statistics (ABS) estimated that foreign-owned businesses employed 12 per cent of all private sector employees and contributed 25 per cent of all capital formation. In the mining sector, the ABS found that around one in four people were employed by foreign owned businesses.

The Government reviews foreign investment proposals against the national interest case by case. This flexible approach is preferred over hard and fast rules. The case by case approach maximises investment flows, while protecting Australia's interests. The Foreign Investment Review Board (FIRB) will work with an applicant to ensure the national interest is protected. On very rare occasions a proposal may be deemed to be contrary to the national interest and rejected. On other rare occasions the Treasurer may impose conditions necessary to protect the national interest.

The Government recognises community concerns about foreign ownership of certain Australian assets and the review system allows the Government to consider these concerns when assessing Australia's national interest. The national interest test also recognises the importance of Australia's market-based system, where companies are responsive to shareholders and where investment and sales decisions are driven by market forces rather than external strategic or non-commercial considerations.

Investment priority plan/equivalent policy

Australia actions its investment attraction mission through the Australian Trade Commission - Austrade - (www.austrade.gov.au) its trade and investment development agency. Austrade attracts productive foreign direct investment into Australia to seed future industries and sustain and build the capability, competitiveness and innovation of existing industry sectors.

State and Territory Investment Offices

All State and Territory Governments in Australia are actively involved in investment promotion. They have dedicated investment promotion personnel based domestically and most have representatives abroad who offer facilitation services to investors.

Most State and Territory Governments offer incentives to encourage new investments. The provision of financial assistance is not an automatic right, however. The level of assistance offered is assessed on a case-by-case basis and takes into account the economic benefits that will flow to the State/Territory from the new project.

Projects are assessed on the net benefits to the State/Territory including factors such as technology transfer and the development of priority sectors for that particular State or Territory.

Some States offer specific assistance packages for the attraction of Regional Operating Centres, which involve the reduction or removal of payroll taxes, land taxes and/or stamp duties. Apart from arranging meetings and negotiating with other government authorities, most State and Territory Governments offer financial assistance in the following areas: rent free periods of accommodation assistance; exemption from payroll tax, stamp duty and municipal rates; plant and equipment removal costs; support for the provision of multi-user infrastructure as an incentive for major projects; key personnel removal costs; business plan and feasibility study costs; skills training; technology development; and training.

More information

Australian Capital Territory

Business and Industry Development

ACT Chief Minister's Department

Australia

GPO Box 158

Canberra ACT 2601

AUSTRALIA

Phone: 1800 244 650

Fax: (+61 2) 6207 0033

<http://www.business.act.gov.au/>

New South Wales

Industry and Investment New South Wales

Level 47, MLC Centre

19 Martin Place, Sydney

GPO Box 5477

Sydney NSW 2001

Tel: +61 2 9338 6600

Fax: +61 2 9338 6950

<http://www.business.nsw.gov.au>

New South Wales has representative offices in Guangzhou and Shanghai in China, Abu Dhabi in the United Arab Emirates and Mumbai in India

Northern Territory

Executive Director

Major Projects, Asian Relations and Trade Division

Department of the Chief Minister

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Email: majorprojects.info@nt.gov.au

<http://www.dcm.nt.gov.au/home>

Queensland

Invest Queensland

Department of Employment Economic Development and Innovation

PO Box 15168, City East Brisbane QLD 4002

Telephone 61 7 3224 2039

Email: enquiries@investqueensland.com.au

<http://www.investqueensland.qld.gov.au>

Queensland has representative offices in Beijing, Guangzhou, Shanghai in China

Australia

Hong Kong, London in the United Kingdom, Tokyo in Japan, Seoul in Korea, Bangalore in India, Jakarta in Indonesia, Riyadh in Saudi Arabia, Chinese Taipei, Los Angeles in the United States, Abu Dhabi in the United Arab Emirates.

South Australia

Department of Trade & Economic Development

The Conservatory

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www.southaustralia.biz

South Australia has representative offices in London in the United Kingdom, Shanghai and Jian in China; Hong Kong, Singapore, Dubai in the United Arab Emirates, Chennai in India, Ho Chi Minh City in Vietnam, Santiago in Chile.

Tasmania

Department of Economic Development, Tourism and the Arts

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Victoria

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Melbourne

Victoria 3000

Australia

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<http://www.invest.vic.gov.au/>

Victoria has representative offices in Bangalore in India, Dubai in the United Arab Emirates, Hong Kong, Kuala Lumpur in Malaysia, Nanjing and Shanghai in China, Tokyo in Japan, San Francisco, Chicago and New York in the United States, Frankfurt in Germany, and London in the United Kingdom

Western Australia

Department of State Development

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Western Australia 6004

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Australia

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<http://wa.gov.au/governmentservices/business/investinginwa/>

Western Australia has representative offices in Shanghai and Hangzhou in China, London in the United Kingdom, Mumbai and Chennai in India, Dubai in the United Arab Emirates, Seoul in Korea, Tokyo in Japan, Kuala Lumpur in Malaysia, Jakarta in Indonesia

Regulation of foreign investment

Process for foreign entities/nationals to invest in our economy

Regulation of foreign investment

The Australian Government takes a very open and positive stance to foreign investment. However, as a sovereign state, it still reserves the right to ensure that investments are in line with Australia's national interest. The national interest in relation to a particular application is determined by the Treasurer. In making decisions, the Treasurer takes advice from the Foreign Investment Review Board (FIRB). Key considerations include national security and economic development.

Australia's foreign investment screening regime is premised on the assumption that foreign investment is beneficial to Australia. As a consequence, it is necessary for the Treasurer to establish that a foreign investment proposal would be contrary to the national interest in order to be blocked. Australia's screening regime involves a simple process that provides certainty for foreign investors.

Australia's foreign investment framework provides for Government scrutiny of some proposed foreign purchases of Australian businesses and land through compulsory and voluntary notification requirements. At the centre of the framework is the Foreign Acquisitions and Takeovers Act 1975 (the FATA). In the majority of industry sectors, smaller proposals are exempt from notification and larger proposals are approved unless judged contrary to the national interest. The screening process undertaken by the FIRB enables comments to be obtained from relevant parties (including State and Territory governments) and other Australian Government agencies in considering whether larger or more sensitive foreign investment proposals are contrary to the national interest.

The Australian Government determines what is contrary to the national interest by having regard to the widely held community concerns of Australians. Reflecting community concerns, specific restrictions on foreign investment are in force in more sensitive sectors such as the media and developed residential real estate. The foreign investment policy document is available online at

http://www.firb.gov.au/content/_downloads/Australia's_Foreign_Investment_Policy_June_2010.pdf

Screening of investment proposals

The FIRB examines proposals by foreign interests to undertake direct investment in Australia and makes recommendations to the Australian Government on whether those proposals raise any national interest concerns.

The main functions of the FIRB are:

- * to examine proposals by foreign interests for investment in Australia and, against the background of the Australian Government's foreign investment policy, to make recommendations to the Government on those proposals;
- * to advise the Australian Government on foreign investment matters generally;
- * to foster an awareness and understanding, both in Australia and abroad, of the Australian Government's foreign investment policy;
- * to provide guidance, where necessary, to foreign investors so that their proposals may be in conformity with the policy; and
- * to monitor and ensure compliance with foreign investment policy.

The FIRB's functions are advisory only. Responsibility for the Australian Government's foreign investment policy and for making decisions on proposals rests with the Treasurer.

The majority of foreign investment applications receive a decision within 30 days of receipt of the proposal.

Australia

Does this apply to all investment or, are there differential treatment?

Conditions of investment

Conditions of investment

Australia's Foreign Investment Review Framework

The Foreign Investment Policy and the Legislation

The Foreign Acquisitions and Takeovers Act 1975 (FATA) provides the legislative framework for our screening regime. The FATA allows the Treasurer or his delegate - usually the Assistant Treasurer - to review investment proposals to decide if they are contrary to Australia's national interest.

The Treasurer can block proposals that are contrary to the national interest or apply conditions to the way proposals are implemented to ensure they are not contrary to the national interest. When making such decisions, the Treasurer relies on advice from the FIRB.

The Policy provides guidance to foreign investors to assist understanding of the Government's approach to administering the FATA. The Policy also identifies a number of investment proposals that need to be notified to the Government even if the FATA does not appear to apply.

Who Needs to Apply?

Foreign Governments and their Related Entities

All foreign governments and their related entities should notify the Government and get prior approval before making a direct investment in Australia, regardless of the value of the investment. Foreign governments and their related entities also need to notify the Government and get prior approval to start a new business or to acquire an interest in Australian urban land (except when buying land for diplomatic or consular requirements).

Privately-Owned Foreign Investors - Business Acquisitions

Foreign persons should notify the Government before acquiring an interest of 15 per cent or more in an Australian business or corporation that is valued above \$231 million. They also need to notify if they wish to acquire an interest in an offshore company whose Australian subsidiaries or gross assets are valued above \$231 million (adjusted annually on 1 January).

The exception is for 'US investors', where the \$231 million threshold applies only for investments in prescribed sensitive sectors. A \$1004 million threshold applies to US investment in other sectors. To calculate the value of a business or corporation, you need to consider the value of the total issued shares of the corporation or its total gross assets, whichever is higher.

All foreign persons, including US investors, need to notify the Government and get prior approval to make investments of 5 per cent or more in the media sector, regardless of the value of the investment.

Foreign persons should also be aware that separate legislation includes other requirements and/or imposes limits on foreign investment in the following instances:

- * foreign investment in the banking sector must be consistent with the Banking Act 1959, the Financial Sector (Shareholdings) Act 1998 and banking policy;
- * total foreign investment in Australian international airlines (including Qantas) is limited to 49 per cent;
- * the Airports Act 1996 limits foreign ownership of airports offered for sale by the Commonwealth to 49 per cent, with a 5 per cent airline ownership limit and cross ownership limits between Sydney airport (together with Sydney West) and Melbourne, Brisbane and Perth airports;
- * the Shipping Registration Act 1981 requires a ship to be majority Australian-owned if it is to be registered in Australia; and
- * aggregate foreign ownership of Telstra is limited to 35 per cent of the privatised equity and individual foreign investors are only allowed to own up to 5 per cent.

Foreign persons should also notify if they have any doubt as to whether an investment is notifiable.

Privately-Owned Foreign Investors - Real Estate

Australia

Foreign persons should notify the Government and get prior approval to acquire an interest in certain types of real estate. An 'interest' includes buying real estate, obtaining or agreeing to enter into a lease, or financing or profit sharing arrangements.

Regardless of value, foreign persons generally need to notify the Government to take an interest in residential real estate, vacant land or to buy shares or units in Australian urban land corporations or trust estates.

Foreign persons also need to notify if they want to take an interest in developed commercial real estate that is valued at \$50 million or more - unless the real estate is heritage listed, then a \$5 million threshold applies. An exception for developed commercial real estate applies to US investors, where a \$1004 million threshold applies instead.

Foreign persons should also notify if they have any doubt as to whether an investment is notifiable.

More Information Foreign Investment Review Board (<http://www.firb.gov.au>)

Investment promotion and facilitation

Investment promotion and facilitation

The Australian Trade Commission (Austrade) is the Australian Government's trade and investment development agency. Austrade's extensive global network of offices covers more than 100 locations in over 55 countries.

Services for international investors include:

- * introductions to networks including government agencies, professional service providers, industry associations and Australian business leaders
- * information on the business environment and referrals to other Government departments managing local business costs, taxation, investment regulations, workforce availability and immigration law
- * industry capability reports offering market intelligence on Australia's capabilities across a wide range of industry sectors
- * guidance and referrals in relation to the Australian Government's investment approval process (Foreign Investment Review Board)
- * identification of potential investment opportunities and strategic alliance partners.
- * Australian site visit assistance to identify the most suitable location and potential partners for your business, and
- * advice on Government programs that may be applicable to your business, including support for research, development, innovation and export activities.

Australia's priority sectors for productive FDI attraction are:

- * clean energy and environment
- * financial services
- * mining and resources
- * infrastructure
- * advanced manufacturing/automotive
- * professional and business services
- * food and beverage
- * agribusiness
- * ICT, health and biotechnology
- * education, creative industries, sport and tourism

More information about the process of investing in our economy

Australia

[Austrade \(http://www.Austrade.gov.au\)](http://www.Austrade.gov.au)

[Foreign Investment Review Board \(http://www.firb.gov.au\)](http://www.firb.gov.au)

State and Territory based web sites

[Business and Industry Development Australian Capital Territory \(http://www.business.act.gov.au\)](http://www.business.act.gov.au)

[Industry and Investment New South Wales \(http://www.business.nsw.gov.au\)](http://www.business.nsw.gov.au)

[Department of the Chief Minister Northern Territory \(http://www.dcm.nt.gov.au/home\)](http://www.dcm.nt.gov.au/home)

[Invest Queensland \(http://www.investqueensland.gld.gov.au\)](http://www.investqueensland.gld.gov.au)

[Department of Trade and Economic Development South Australia \(http://www.southaustralia.biz\)](http://www.southaustralia.biz)

[Department of Economic Development, Tourism and The Arts Tasmania \(http://www.development.tas.gov.au\)](http://www.development.tas.gov.au)

[Invest Victoria \(http://www.invest.vic.gov.au\)](http://www.invest.vic.gov.au)

[Investing In Western Australia \(http://wa.gov.au/government/services/business/investinginwa/\)](http://wa.gov.au/government/services/business/investinginwa/)

Investment protection

Protection of property rights and conditions for expropriation

Private property can be expropriated for public purposes in accordance with established principles of domestic and international law. Due process rights are established and respected. Prompt, adequate and effective compensation (under just terms) is paid under the overarching Section 51 provision for such compensation in the Australian Constitution.

There have been no cases of expropriation involving foreign investors in recent memory.

More information

Protection of IPRs

Australia has a robust and effective intellectual property system. Intellectual property rights have been granted in Australia for over 100 years and the system is constantly being reviewed to ensure it continues to meet the market's needs.

Australian law comprehensively protects patents, trade marks, designs, new plant varieties, copyrights and integrated circuit layout rights.

Australia is a member of the:

- * World Intellectual Property Organization (WIPO)
- * Paris Convention for the Protection of Industrial Property
- * Berne Convention for the Protection of Literary and Artistic Works,
- * Universal Copyright Convention
- * Geneva Phonogram Convention
- * Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations

Australia is committed to upholding its international obligations. Australia is a party to the following intellectual property agreements

- * Paris Convention for the Protection of Industrial Property
- * World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)

Australia

* **International Union for the Protection of New Varieties of Plants (UPOV)**

* **Trademark Law Treaty**

* **Singapore Treaty on the Law of Trademarks**

* **Patent Law Treaty**

Global Protection System Agreements

* **Patent Cooperation Treaty (PCT)**

* **Madrid System for the International Registration of Marks**

* **Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure**

Classification Agreements

* **Nice Agreement for the International Classification of Goods and Services for the Purposes of the Registration of Marks**

* **Strasbourg Agreement Concerning the International Patent Classification**

IP Australia is the Australian Government agency responsible for administering Australia's IP system which includes the registration of patents, trade marks, designs and plant breeder's rights.

IP Australia produces a wide range of free information resources designed to increase awareness and understanding of the IP system.

More information

To access these resources or for more information about Australia's intellectual property system, visit <http://www.ipaustralia.gov.au> or Tel: 61 2 6283-2999 or Fax: 61 2 6283 7999

For copyright matters contact the Intellectual Property Branch, Attorney-General's Department at: Tel 612 6250 6655; Fax 61 2 62505929; or at <http://www.ag.gov.au>

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Flow of funds

The Australian dollar is a convertible currency.

And if managed, under what circumstances or purposes does your government/central bank intervene?

The Australian Government does not maintain currency controls or limit remittance, loan and lease payments. Such payments are processed through standard commercial channels, without governmental interference or delay.

Exchange rates are determined on the basis of demand and supply conditions in the exchange market, but the Reserve Bank of Australia retains discretionary power to intervene in the foreign exchange market. There is no official exchange rate for the Australian dollar. There are no taxes or subsidies on purchases or sales of foreign exchange. Authorised foreign exchange dealers may deal among themselves, with their customers, and with overseas counterparties at mutually negotiated rates in any currency.

Are there any restrictions on the repatriation of funds related to a foreign investment (e.g. profits, dividends, royalties, loan payments)?

Mechanisms to review decisions, and settle disputes

Australia

In general, for settlement of disputes associated with their investment in Australia, foreign investors would have access to the same courts and tribunals as domestic investors. In addition, they would have access to a range of alternative dispute resolution mechanisms, such as arbitration, mediation and conciliation.

What, if any, mechanism do you have for foreign investors to settle disputes?

In general, for settlement of disputes associated with their investment in Australia, foreign investors would have access to the same courts and tribunals as domestic investors. In addition, they would have access to a range of alternative dispute resolution mechanisms, such as arbitration, mediation and conciliation.

There are a number of private sector organisations providing alternative dispute resolution services and facilities across Australia for both international and domestic dispute resolution. Further information on the facilities available can be obtained from Chambers of Commerce and Industry, and Law Societies in each State and Territory.

ICSID

Australia signed the International Centre for Settlement of Investment Disputes (ICSID) Convention on 24 March 1975 and ratified it on 2 May 1991. The Convention entered into force for Australia on 1 June 1991 and is given effect under the International Arbitration Act 1974 (Cth). Australia generally includes a clause in its international investment agreements enabling disputes between a contracting party to the agreement and an investor of the other party to be referred to ICSID for conciliation and arbitration under the ICSID Convention provided both parties to the agreement are contracting States under the ICSID Convention.

More information

International investment agreements

With;

Argentina; Chile; China, People's Republic of; Czech Republic; Egypt; Hong Kong, China; Hungary; India; Indonesia; Lao, People's Democ. Rep.; Lithuania; Mexico; Pakistan; Papua New Guinea; Peru; Philippines; Poland; Romania; Sri Lanka (ex-Ceylon); Uruguay; Viet Nam;

Please provide a brief description of these IIAs, or your IIAs in general.

International investment agreements (IIAs) - which include bilateral investment treaties (BITs), and other international agreements with investment provisions, such as some free trade agreements (FTAs) - can also provide foreign investors protection against discrimination, unfair treatment, expropriation and transfer restrictions. Coverage under an IIA could therefore be an important factor in an investment location decision, especially where the protection afforded by the law is inadequate.

More information

In the first instance foreign investors, if concerned about protection of their rights, property rights and protection of their returns from their investments should seek appropriate advice from their legal advisers.

Movement of persons

Treatment of foreign nations or personnel of foreign firms

Movement of persons

Australia

Foreign direct investment (FDI) frequently requires the movement of persons to the economy of the source of investment. Consequently, investors considering FDI are interested in the treatment of, and rules regulating the movement of foreign persons, senior management and the board of directors.

Conditions of entry and stay for foreign nationals or personnel of foreign firms

Permits/entry visa requirements for non-resident staff of foreign firms

Temporary business entry arrangements provide for the entry of foreign personnel for both short and long stay business entry.

Short-stay business visitor entry provides for a stay of up to three months on each occasion for business purposes such as pursuing investment opportunities, attending business meetings or attending to business interests in Australia. Visa options include a multiple entry visa valid for one year, five years or for the life of the applicant's passport (up to a maximum of 10 years). This visa is also available in many APEC Economies through Electronic Travel Authority arrangements.

Passport holders of anticipating APEC Business Travel Card economies can apply for an APEC Business Travel Card for the purposes of short-term business visitor entry to Australia. The APEC Business Travel Card cuts through the red tape of business travel, and gives credited business people pre-cleared entry to participating APEC economies. Card holders enjoy:

- Fast-track entry and exit through special APEC lanes at major Australian airports;
- No need to individually apply for visas or entry permits each time you travel to any of the participating economies;
- Multiple short-term entry to Australia for 90 days stay each visit; and
- Cards are valid for three years.

For information on eligibility criteria and where to apply for the APEC Business Travel Card, see www.businessmobility.org/key/abtc.html

Long-stay business entry provides for a stay of up to four years principally for:

- personnel for companies operating in Australia;
- personnel from offshore companies seeking to establish a business presence in Australia such as setting up a branch of the company or participating in joint ventures; and
- independent executives seeking to establish new businesses or joining existing businesses in Australia.

Restrictions on the entry/sojourn of foreign technical/managerial personnel and their accompanying family members.

A spouse and dependent children who are part of the family unit of the principal applicant are granted a visa with the same conditions and period of validity as that of the principal. Spouses of approved business temporary residents are permitted to work while in Australia.

More information

Department of Immigration and Citizenship : www.immi.gov.au

Taxation

Taxation of foreign nationals and foreign firms

Individuals and companies in Australia may be required to pay taxes or charges to all levels of government: local, state, and federal governments. Taxes are collected to pay for public services and transfer payments.

Income taxes are the most significant form of taxation in Australia, and collected by the federal government through the Australian Taxation Office. Australian Goods and Services Tax revenue is collected by the Federal government, and then paid to the states under a distribution formula determined by the Commonwealth Grants Commission.

Australia

The taxation of income in Australia is principally determined on the basis of whether the entity is an Australian resident or a foreign resident for tax purposes. Australian residents are taxed on their worldwide income whereas foreign residents are taxed only on income sourced in Australia.

Most active business income derived by foreign residents from operations in Australia is taxed in Australia, by assessment. Australian-sourced dividends, interest and royalties paid to foreign residents are subject to a final withholding tax (unless an exemption applies) at the time of payment.

Personal income taxes

Personal income taxes in Australia are imposed on the personal income of each person on a progressive basis, with higher rates applying to higher income levels. Unlike some other countries, personal income tax in Australia is imposed on an individual and not on a family unit.

Individuals are also taxed on their share of any partnership or trust profits to which they are entitled for the financial year ending 30 June.

Foreign resident individuals do not receive the general tax-free threshold that is available to Australian residents.

Temporary residents are essentially taxed only on their Australian sourced income and any foreign employment income, despite the fact that they would normally meet the definition of 'resident' and thus be taxed on their worldwide income. They are also exempt from interest withholding tax, receive concessional treatment in relation to employee shares and rights, and are treated as foreign residents for capital gains tax purposes.

Rates of personal taxation as at 1 July 2010 may be found at

<http://www.ato.gov.au/individuals/>

Corporate taxes

Companies and corporations pay company tax on profits. Unlike personal income taxes which use a progressive scale, corporate taxes in Australia are calculated at a flat 30% rate. Tax is paid on corporate income at the corporate level before it is distributed to individual shareholders as dividends. A tax credit (called a franking credit) is provided to individuals who receive dividends to reflect the tax already paid at the corporate level (a process known as dividend imputation).

Additional information can be found at <http://www.ato.gov.au/businesses/>

Capital gains tax

Capital Gains Tax (CGT) in the context of the Australian taxation system applies to the capital gain made on disposal of any asset, except for specific exemptions. The most significant exemption is the family home. Rollover provisions apply to some disposals, one of the most significant is transfers to beneficiaries on death, so that the CGT is not a quasi death duty..

The range of assets that foreign residents are liable to Australian CGT is limited to the disposal of Australian real property and the business assets of a foreign resident's Australian permanent establishment.

Further information on CGT may be found at <http://www.ato.gov.au/corporate/>

Property taxes

Local governments are typically funded largely by taxes on land value (council rates) on residential, industrial and commercial properties.

In addition, some state governments levy tax on land values for investors and primary residences of high value. The state governments also levy stamp duties on transfers of land and other similar transactions.

Excise taxes

The Federal Government imposes excise taxes on goods such as cigarettes, petrol, and alcohol.

Customs duties

Customs duty and/or GST may be applicable to goods imported into Australia.

For further information visit Customs Duty and GST (<http://www.customs.gov.au/site/page4368.asp>)

Australia

Certain goods may be brought into Australia on a temporary basis for a period of up to 12 months without the payment of duty or taxes.

For further information visit [Customs Duty and GST \(http://www.customs.gov.au/site/page4370.asp\)](http://www.customs.gov.au/site/page4370.asp)

Payroll taxes

Payroll taxes are a tax paid by employers to Australian state governments. The tax amount is assessed on the basis of wages paid out by an employer.

Inheritance tax

There is no inheritance tax in Australia, with Australia abolishing what was known as death duties in 1979.

Is the basis for taxation economy or global? If the basis for taxing is global, with whom do you have tax treaties?

Australia negotiates tax treaties to prevent double taxation of cross border income and is a major contributor to OECD discussions on tax treaty issues.

Australia has a number of tax treaties and a schedule of the treaties may be found at http://www.treasury.gov.au/content/tax_treaties.asp?ContentID=759&titl=Tax%20Treaties

More information

The Australian Treasury provides advice on international tax policy issues and implements Government decisions by developing related legislation and negotiating tax treaties. The accelerating integration of the Australian economy with global markets continues to challenge Australia's international tax policy and legislative arrangements.

'International taxation arrangements' principally means arrangements relating to taxation of flows of income between Australia and other countries.

For further Information:

http://www.treasury.gov.au/content/international_taxation.asp?ContentID=884&titl=International%20Taxation