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**Submission on Integrity conditions for transitional rules and  
infrastructure concession of Stapled Structures**  
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The Tax Justice Network Australia (TJN-Aus) welcomes this opportunity to make submission on the proposed integrity measures for the transitional rules and infrastructure concession of stapled structures. We largely welcome the proposed integrity measures. There is a concern that for the 15 year transition the ability for stapled structures to access the rule being based on “evidence that an objective methodology existed which was in use prior to the transition date to determine the amount of rent under the lease agreement” could still involve a subjective decision on if an “objective methodology” existed and could lead to arguments from stapled structures that such “objective methodology” existed when a reasonable person would find that it did not.

The TJN-Aus is also concerned that the Treasurer will have discretion to decide if Cross-staple rent on new economic infrastructure assets will be able to access a 15 year concessional rate of withholding. There should be publicly accessible guidelines/criteria made available to indicate how the Treasurer will make such a decision, to ensure such decisions are objective, consistent and transparent.

The TJN-Aus supports that the existence of the statutory cap should not be used to provide an indication of arm’s length pricing for the rent of economic infrastructure assets and therefore should not be taken as a reference point for determining an arm’s length price for cross-staple rental arrangements involving economic infrastructure assets.

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## **Background on the Tax Justice Network Australia**

The Tax Justice Network Australia (TJN-Aus) is the Australian branch of the Tax Justice Network (TJN) and the Global Alliance for Tax Justice. TJN is an independent organisation launched in the British Houses of Parliament in March 2003. It is dedicated to high-level research, analysis and advocacy in the field of tax and regulation. TJN works to map, analyse and explain the role of taxation and the harmful impacts of tax evasion, tax avoidance, tax competition and tax havens. TJN's objective is to encourage reform at the global and national levels.

The Tax Justice Network aims to:

- (a) promote sustainable finance for development;
- (b) promote international co-operation on tax regulation and tax related crimes;
- (c) oppose tax havens;
- (d) promote progressive and equitable taxation;
- (e) promote corporate responsibility and accountability; and
- (f) promote tax compliance and a culture of responsibility.

In Australia the current members of TJN-Aus are:

- ActionAid Australia
- Aid/Watch
- Anglican Overseas Aid
- Australian Council for International Development (ACFID)
- Australian Council of Social Service (ACOSS)
- Australian Council of Trade Unions (ACTU)
- Australian Education Union
- Australian Manufacturing Workers Union
- Australian Nursing & Midwifery Federation
- Australian Services Union
- Australian Workers Union, Victorian Branch
- Baptist World Aid
- Caritas Australia
- Community and Public Service Union
- Electrical Trades Union, Victorian Branch
- Evatt Foundation
- Friends of the Earth
- GetUp!
- Greenpeace Australia Pacific
- International Transport Workers Federation
- Jubilee Australia
- Maritime Union of Australia
- National Tertiary Education Union
- New South Wales Nurses and Midwives' Association
- Oaktree Foundation
- Oxfam Australia
- Save the Children Australia
- Save Our Schools
- SEARCH Foundation
- SJ around the Bay
- Social Policy Connections
- TEAR Australia
- The Australia Institute
- Union Aid Abroad – APHEDA
- UnitedVoice

- Uniting Church in Australia, Synod of Victoria and Tasmania
- UnitingWorld
- Victorian Trades Hall Council
- World Vision Australia