

Australian Treasury releases discussion paper on taxation of digital economy

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On 2 October 2018, the Australian Treasury released a [discussion paper](#) on a fairer and more sustainable tax system for the digital economy in Australia, as announced in the 2018 Federal Budget.

The discussion paper does not provide any recommendations on taxation of digital activities. The paper includes detailed discussion on long-term solutions and interim solutions including the European Union¹ and global consideration of a turnover tax on digital activities.

Treasury is seeking feedback by 30 November 2018 in relation to 13 discussion questions on areas including:

- ▶ User-created value and value associated with intangibles
- ▶ Changes to existing profit attribution rules
- ▶ Changes to existing nexus rules
- ▶ Options for broader reform
- ▶ Design considerations for interim options

Endnote

1. See EY Global Tax Alert, [ECOFIN discusses the Commission's proposals for taxation of digitalized activity](#), dated 11 September 2018.

For additional information with respect to this Alert, please contact the following:

Ernst & Young (Australia), International Tax Services, Sydney

- ▶ Sean Monahan sean.monahan@au.ey.com
- ▶ Tony Cooper tony.cooper@au.ey.com

Ernst & Young (Australia), International Tax Services, Melbourne

- ▶ Peter Janetzki peter.janetzki@au.ey.com

Ernst & Young (Australia), International Tax Services, Perth

- ▶ Andrew Nelson andrew.nelson@au.ey.com

Ernst & Young (Australia), Indirect Tax, Sydney

- ▶ Greg Hill greg.hill@au.ey.com

Ernst & Young (Australia), Tax Policy Services, Sydney

- ▶ Alf Capito alf.capito@au.ey.com

Ernst & Young (Australia), Tax Policy Services, Melbourne

- ▶ Rolf Drohn rolf.drohn@au.ey.com
- ▶ Fahd Khalil fahd.khalil@au.ey.com

Ernst & Young LLP, Australian Tax Desk, New York

- ▶ David Burns david.burns1@ey.com

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