

Presently Australia is losing huge amounts of potential tax when multinational companies use highly complex, artificial arrangements to avoid paying tax in Australia.

It is suggested that all multinational companies that make sales in Australia be taxed on the value of those sales in Australian dollars by Australia.

Where multinational companies – in this case mainly resource companies – sell resources to themselves in hubs like Singapore, or elsewhere in tax havens, at prices lower than the market value, it is suggested that the amount of that resource, for tax purposes in Australia, be deemed to be the international average price of that resource in the world market for the taxable period.

It is suggested that by using a deeming method in relation to the value of resources taken out of Australia, and then on-sold through subsidiaries at a higher price, could collect more tax for Australia.