

# EXPOSURE DRAFT



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## **Taxation (Multinational—Global and Domestic Minimum Tax) Amendment (2026 Measures No. 1) Rules 2026**

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I, Andrew Leigh, Assistant Minister for Productivity, Competition, Charities and Treasury, make the following rules.

Dated 2026

Dr Andrew Leigh **[DRAFT ONLY—NOT FOR SIGNATURE]**  
Assistant Minister for Productivity, Competition, Charities and Treasury  
Parliamentary Secretary to the Treasurer

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## 1 Name

This instrument is the *Taxation (Multinational—Global and Domestic Minimum Tax) Amendment (2026 Measures No. 1) Rules 2026*.

## 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under the *Taxation (Multinational—Global and Domestic Minimum Tax) Act 2024*.

Note: Section 29 of the *Taxation (Multinational—Global and Domestic Minimum Tax) Act 2024* provides that the Minister may make rules prescribing matters required or permitted by the Act, or necessary or convenient, to be prescribed.

## 4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

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Schedule 1 Amendments

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## Schedule 1—Amendments

### *Taxation (Multinational—Global and Domestic Minimum Tax) Rules 2024*

#### **1 Paragraph 1-25(1)(c)**

Omit “subsection (4) applies”, substitute “subsection (4) or (6) applies”.

#### **2 At the end of section 1-25**

Add:

*Foreign currency translation of Top-up Tax amounts*

- (6) If an amount of IIR Top-up Tax Amount, Domestic Top-up Tax Amount or UTPR Top-up Tax Amount for a Fiscal Year is denominated in a currency other than Australian currency (the *foreign currency*), convert the amount from the foreign currency to Australian currency using any of the following:
- (a) the daily rate of exchange as quoted by the Reserve Bank of Australia in respect of the 2 currencies on the last day of the Fiscal Year;
  - (b) the daily rate of exchange as quoted by the central bank for the foreign currency in respect of the 2 currencies on the last day of the Fiscal Year;
  - (c) a publicly and commercially available market exchange rate in respect of the 2 currencies on the last day of the Fiscal Year.

#### **3 Subparagraphs 2-25(1)(b)(i) and (ii)**

Repeal the subparagraphs, substitute:

- (i) is created in Australia, and is a Stateless Constituent Entity under subsection 41(3) of the Act; or

#### **4 Paragraph 2-25(3)(b)**

Repeal the paragraph, substitute:

- (b) the Low-Taxed Constituent Entity is either:
  - (i) located in Australia for the Fiscal Year; or
  - (ii) a Stateless Constituent Entity covered by subparagraph (1)(b)(iii); and

#### **5 Paragraph 2-25(5)(a)**

Repeal the paragraph, substitute:

- (a) a Joint Venture of an MNE Group, or a JV Subsidiary of a Joint Venture of an MNE Group is:
  - (i) located in Australia for a Fiscal Year; or
  - (ii) a Flow-through Entity created in Australia, and, under paragraph 6-75(2)(c), treated as a Stateless Constituent Entity for a Fiscal Year; or
  - (iii) treated under paragraph 6-75(2)(c) as a Stateless Constituent Entity that is a Permanent Establishment in relation to which paragraph 19(1)(d) of the Act applies, and a place of business (including a deemed place of business) in Australia, for a Fiscal Year; and

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## 6 Paragraph 2-25(7)(c)

Repeal the paragraph, substitute:

- (c) the JV Subsidiary is either:
  - (i) located in Australia for the Fiscal Year; or
  - (ii) a JV Subsidiary covered by subparagraph (5)(a)(iii); and

## 7 Paragraph 2-35(6)(c)

After “(Allocation of amounts from Constituent Entity-owner to Hybrid Entity or Reverse Hybrid Entity)”, insert “, unless the amount in respect of Covered Taxes is an amount in respect of tax imposed under a law of an Australian jurisdiction”.

## 8 Subparagraphs 2-35(7)(b)(i) and (ii)

Repeal the subparagraphs, substitute:

- (i) is a Flow-through Entity created in Australia; or

## 9 At the end of section 2-35

Add:

- (9) Assume that section 8-200 does *not* apply.

## 10 Subsection 2-40(1)

Repeal the subsection, substitute:

- (1) Subsection (2) applies if:
  - (a) either of the following is a subsidiary member of a consolidated group:
    - (i) a Constituent Entity of an MNE Group;
    - (ii) a JV Subsidiary of a Joint Venture of an MNE Group; and
  - (b) the head company of the consolidated group is *not* an Excluded Entity or a Securitisation Entity for the Fiscal Year.

## 11 Subsection 2-40(2)

After “Constituent Entity’s”, insert “or the JV Subsidiary’s (as the case requires)”.

## 12 Subsection 2-40(3)

Repeal the subsection, substitute:

- (3) Subsection (4) applies if:
  - (a) any of the following is the head company of a consolidated group:
    - (i) a Constituent Entity of an MNE Group;
    - (ii) a Joint Venture of an MNE Group;
    - (iii) a JV Subsidiary of a Joint Venture of an MNE Group; and
  - (b) the head company of the consolidated group is *not* an Excluded Entity or a Securitisation Entity for the Fiscal Year.

## 13 Subsection 2-40(4)

Omit “Constituent Entity’s”, substitute “head company’s”.

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## Schedule 1 Amendments

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### 14 After paragraph 6-75(2)(b)

Insert:

; and (c) treat each of the JV Entities as a Stateless Constituent Entity if the JV Entity would be treated as a Stateless Constituent Entity under the Act if the entity were a Constituent Entity of an MNE Group and the Joint Venture were the Ultimate Parent Entity of the MNE Group.

### 15 At the end of the instrument

Add:

### 15-10 Application—Taxation (Multinational—Global and Domestic Minimum Tax) Amendment (2026 Measures No. 1) Rules 2026

The amendments made by the *Taxation (Multinational—Global and Domestic Minimum Tax) Amendment (2026 Measures No. 1) Rules 2026* apply in relation to Fiscal Years starting on and after 1 January 2024.