



## TAXATION AND REVENUE

“The **hardest thing in the world to understand** is the income tax.”

Albert Einstein

*Australia's taxation legislation rests in books numbered in volumes that stack metres high. At any given moment, up to 100 taxes and imposts from these books could impact your business, many of which are more complex than income tax.*

The tax regime in this country has an impost for just about every transaction. Whether it be the outwardly simple but intrinsically complicated Goods and Services Tax (GST) or Payroll Tax, you can be sure the Australian Taxation Office and the State Revenue Offices will have an impact on your business.

At the end of the day, profitability could be determined by how well you manage your taxation risks.

That means you need advisers who know tax, not just ones who know about tax.

The outstanding Taxation and Revenue team at Middletons knows and understands tax like few others, but more importantly we know how to take a commercial approach to our advice and present it to you in a way that you understand.

We may not understand Einstein's Theory of Relativity, but we could help him through his taxation issues by optimising his tax position with sound commercial advice that challenges his thinking.

We have substantial experience in advising on issues in corporate tax, GST, stamp duty and in disputes with the ATO and other revenue authorities.

Providing you with excellent technical yet commercially savvy advice is a core team of lawyers whose qualifications in both the legal and accounting fields are complemented by significant postgraduate studies.

We look to be knowledge leaders across a variety of industries including major projects and infrastructure, transport and logistics, property and development, manufacturing and retail, energy and resources, and financial and banking services.

This approach means that we have a deeper appreciation for the 'nuts and bolts' of your sector and its operating environment than you might realise.

With offices in both Melbourne and Sydney, we are well placed to offer you a single service legal resource of real value. A smaller, less leveraged team means Middletons provides full partner involvement in any transaction.

It's another example of how you benefit directly from our experience.

Our new approach to legal services is unlike that of any other law firm: we don't want to just offer you great advice, we want you to profit from it.

# Middletons Taxation and Revenue

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*Middletons' Taxation and Revenue team is committed to partner accessibility and accountability. We work in partnership with clients to help achieve commercial goals while optimising their tax position.*

Our team consists of lawyers with both legal and accounting qualifications as well as postgraduate qualifications to provide excellent technical and commercial advice.

## Corporate Tax

The Review of Business Taxation has introduced significant changes to the taxation of corporate entities.

We provide meaningful corporate tax advice to assist you in absorbing the many significant changes to the taxation of corporate entities including consolidations, value shifting, the demerger provisions, scrip for scrip rollover rules and the debt/equity provisions.

## Stamp Duty

When undertaking any property or business acquisition or disposal, the implications of stamp duty and other state taxes should not be overlooked.

Middletons' Taxation and Revenue team works closely with each of the State Revenue Offices to expedite the stamping of documents and to seek opinions to facilitate the smooth flow of transactions.

Our team has also been heavily involved in objecting to assessments to Victorian stamp duty in respect of duty imposed on goodwill associated with combined sale of land / business transactions.

## Tax Audits and Disputes

With increased ATO activity in reviewing the affairs of taxpayers, we often represent clients that are in dispute with the ATO. We have successfully resolved disputes in connection with:

- » the CGT cost base rules
- » the application of the superannuation guarantee rules
- » the application of royalty withholding tax and freight tax to time charters
- » the issue of directors penalty notices
- » the treatment of offshore superannuation schemes.

## International Tax

Cross border transactions involve significant issues for both Australian entities seeking to expand overseas and foreign entities seeking entry into Australia.

Middletons has advised both Australian and foreign based entities on inbound and outbound investment transactions, structuring, transfer pricing issues, withholding tax, thin capitalisation, permanent establishment issues and consideration of Double Tax Agreements.

We've also advised on Australia's controlled foreign company, foreign investment fund and transferor trust rules.

## Goods and Services Tax

The Goods and Services Tax (GST) has affected clients in every industry group.

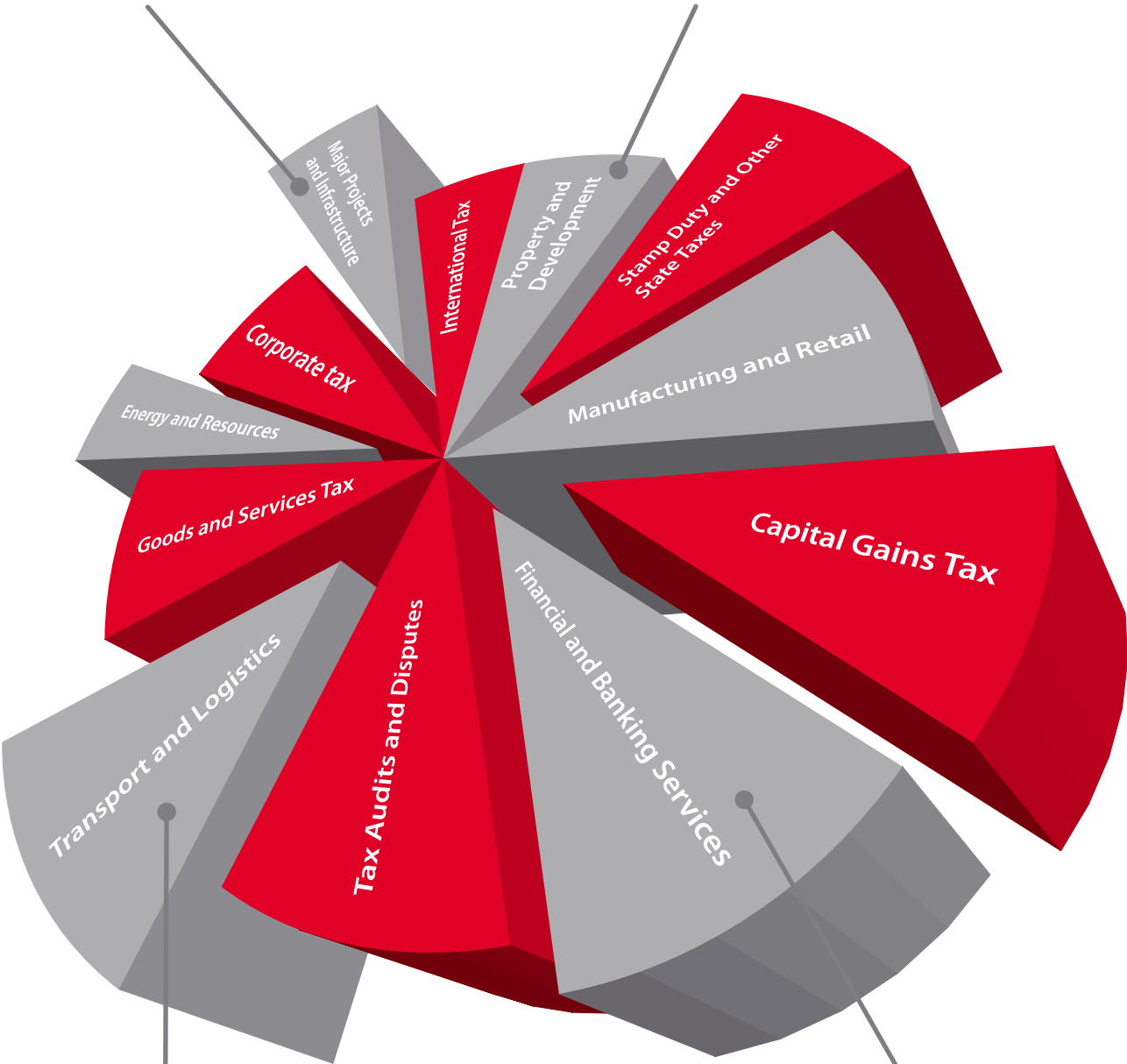
Middletons' Taxation and Revenue team has acted for a range of clients in various industries including the shipping industry and the property sector regarding GST free supplies and international trade, the application of the margin scheme, leases and review opportunities, new residential premises and going concern issues.

We have successfully applied for GST private rulings dealing with partnerships and going concerns.

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Section 51AD, Division 16D and the maximisation of and efficient utilisation of interest and depreciation deductions

Income tax, GST and stamp duty are key issues for both large and small property investors and developers



Royalty withholding tax, freight tax, thin capitalisation, the deferred GST scheme and stamp duty

Taxation and stamp duty treatment of successor fund transfers, the taxation implications associated with changes to deeds, provision of tax advice for inclusion in product disclosure statements and advice with respect to self-managed superannuation funds.

# About Middletons

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Middletons is a leading Australian law firm with offices in Melbourne and Sydney with around 65 partners, a further 190 lawyers and a total staff of more than 440.

We have extensive experience in acting for major corporates and industry leaders, and working on ground breaking transactions. Clients have chosen our firm because of our comprehensive skills, industry knowledge and approach to service.

Clients seek firms with industry knowledge and depth of experience to match. As a single service supplier of legal expertise, we offer our clients a broad range of legal services, including:

- » banking and finance
- » biotechnology
- » capital markets
- » commercial and corporate advisory
- » commercial litigation
- » commercial property
- » competition and regulatory
- » construction
- » corporate recovery
- » dispute resolution
- » energy
- » financial services
- » industrial relations
- » information technology
- » insurance
- » intellectual property
- » maritime
- » media and entertainment

- » mergers and acquisitions
- » project finance and infrastructure
- » resources
- » taxation and revenue
- » transport and international trade
- » workplace relations.

Middletons has expertise and knowledge in specific industries we see as integral to the Australian and world economies to ensure we understand our clients' businesses. Industries such as:

- » energy and resources
- » finance and insurance
- » health and leisure
- » manufacturing and retail
- » property and development
- » technology
- » telecommunications
- » transport, distribution and logistics.

Middletons breaks the mould when it comes to big law firms. Size, like expertise and geographical reach, is a given for our clients. Our lawyers talk our clients' language but challenge their thinking. Our approach is different to others – we offer advice and services built on intellect, inspiration, influence, involvement, integrity and individuality.

Middletons is large enough to provide detailed business advice, yet small enough to ensure cost effectiveness and guaranteed partner access.

## Further Information



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