



18 October, 2023

File:

Mr Jason Lange
Executive Director
Office of Impact Analysis
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Email: helpdesk-OIA@pmc.gov.au

Dear Mr Lange

CERTIFICATION OF TREASURY REVIEW: PETROLEUM RESOURCE RENT TAX: REVIEW OF THE GAS TRANSFER PRICING ARRANGEMENTS.

I am writing to certify that the attached Treasury review of the Gas Transfer Pricing (GTP) Regulations relevant to the Petroleum Resource Rent Tax (PRRT) has undertaken a process and analysis equivalent to an Impact Analysis (IA).

I certify that this review and subsequent consultation on the exposure draft legislation to implement the deductions cap measure (as summarised in Attachment A) addresses all seven IA questions, and is submitted to the Office of Impact Analysis for the purposes of a final policy decision.

The scope of the certified review covers the scope of the policy proposal with the exception of an evaluation plan. To address this, I also certify the accompanying evaluation plan. Therefore, I am satisfied that with this addition, the scope of the certified documents matches the policy proposal.

The regulatory burden to business, community organisations or individuals is quantified using the Australian Government's *Regulatory Burden Measurement* framework and is provided below.

I note that the implementation of this proposal will lead to a minimal increase in the regulatory burden for the impacted companies. All affected companies are multinational enterprises with in-house tax teams already applying the *Petroleum Resources Rent Tax Assessment Act 1987*. There will be no significant change in systems, and we consider that



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for those affected, the companies' tax teams will absorb all compliance costs in adapting to a proposed change in the calculation of PRRT taxable profit.

Accordingly, I am satisfied that the attached report is consistent with the *Australian Government Guide to Policy Impact Analysis*.

Yours sincerely

A handwritten signature in purple ink that reads 'Diane Brown'.

Diane Brown
Deputy Secretary | Revenue Group
The Treasury