पीयूष गोयल
PIYUSH GOYAL

02 April, 2022

H.E. Dan Tehan
Minister for Trade, Tourism and Investment of Australia
Government of Australia

Excellency,

In connection with the signing of the India-Australia Economic Cooperation and Trade Agreement (**"the Agreement"**) between the Government of Australia and the Government of the Republic of India (**"the Parties"**), and your letter dated 02 April 2022, which reads:

"In connection with the signing of the Australia-India Economic Cooperation and Trade Agreement ("the Agreement"), I have the honour to confirm the following understandings reached between the Government of Australia and the Government of the Republic of India ("the Parties"):

1. The Government of Australia has agreed to amend Australian domestic taxation law to stop the taxation of offshore income of Indian firms providing technical services to Australia. This would resolve the issue that the Indian Government has raised about the Double Taxation Avoidance Agreement between the Government of the Republic of India and the Government of Australia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, done at Canberra on 25 July 1991.

2. Australia will implement the amendments to its taxation legislation referred to in paragraph 1 in a similar time period as the Agreement.

I have the honour to propose that this letter and your letter in reply confirming that your Government shares these understandings, which will come into effect on the date on which the Agreement enters into force, shall constitute an integral part of the Agreement."

I have the honour to confirm that my Government shares these understandings, which shall constitute an integral part of the Agreement.

Sincerely yours,

Piyush Goyal
Piyush Goyal
Minister of Commerce and Industry
Government of India