



September 12, 2025

The Honorable Scott Bessent
Secretary
US Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Re: Australia Public Country-by-Country Reporting Regime

Dear Secretary Bessent,

We, the undersigned trade associations, representing a broad range of sectors across the US economy, wish to express our appreciation for President Trump's steadfast commitment to eliminating tariff and non-tariff trade barriers that impede the global competitiveness of US companies. It is in this context that we write to express our serious concerns regarding Australia's recently enacted Public Country-by-Country Reporting (PCBCR) regime.

The PCBCR framework creates a new regime mandating public disclosure of detailed tax and revenue information of multinational companies with even minimal operations in Australia. This regime even applies to US parented companies that are otherwise not required to publish such information under US law. In our view, this is a clear case of a foreign government asserting extraterritorial authority over US companies with far-reaching, unacceptable implications for the competitiveness of US companies in the global market. Our position is aligned with the concerns raised by Representatives Young Kim (R-CA) and Dan Meuser (R-PA) as expressed in their recent letter to the US Treasury (see attached).

Australia's new law requires large multinational companies to publicly disclose sensitive financial, tax, and business information, including data related to their business activities outside of Australia. The law is extraterritorial in that it applies directly to foreign parent companies—including privately held US firms—and their business information rather than solely to the business information of their Australian subsidiaries. Most egregious is that this information is already available to the Australian Taxation Office (ATO) through established confidential country-by-country reporting mechanisms for purposes of tax compliance and agreed under a common standard across participating jurisdictions. The key difference, and the source of concern for the rules under the PCBCR regime is that the information collected will be publicly available, which in our view serves no tax administration need.

US companies with operations in Australia are deeply concerned that the new PCBCR rules will place them at a significant competitive disadvantage as it will force them to publicly disclose commercially sensitive business information, including number of employees, assets, revenues, profits and taxes paid globally. Requiring disclosure of such granular business and financial data could enable competitors to reverse engineer critical business information, including pricing strategies, profit

margins, and regional business strategies and performance, thereby undermining commercial confidentiality and long-term competitiveness of these US companies.

Critically, because the new PCBCR rules apply only to multinational companies with Australian operations, competitors without any Australian presence would gain public access to their rivals' proprietary business and financial information related to Australia and all other reportable jurisdictions, while continuing to shield their own information. This asymmetry creates a serious market distortion for US companies, penalizing multinational companies that have operations in Australia.

In addition to the clear market-distorting effects of this law on all multinational companies, Australia's PCBCR rules are especially problematic for privately held companies, which have deliberately chosen to forgo access to public capital markets, in relevant part, to preserve confidentiality for both the company and its owners. Forcing public disclosure through this mandate, particularly one that serves no clear Australian tax compliance purpose, erodes longstanding expectations of business privacy and raises serious concerns about the protection of personal and shareholder information for US companies. When combined with other publicly available filings, such disclosures could compromise the privacy of individuals who own US companies and provide a roadmap specific to that US business for its competitors or even bad actors to exploit.

Australia's PCBCR rules have extraterritorial scope and effect, affecting US companies which constitute a substantial proportion of multinational firms subject to these regulations. Because many of these companies have business operations in Australia, they will be subject to the public disclosure requirements under this framework. By design, public disclosure requirements transcend national boundaries. Once information is made public in one jurisdiction, it becomes accessible everywhere. As a result, US companies will bear a disproportionate burden from the extraterritorial reach of this mandate, as their worldwide operations, including sensitive information shielded under US law, will be publicly exposed through the PCBCR.

Beyond these substantive business concerns, the new PCBCR framework marks a significant departure from established international reporting norms. Notably, it deviates from essential confidentiality and appropriate use principles underpinning the OECD/G20 Base Erosion and Profit Shifting (BEPS) initiative. Finalized in 2015, the BEPS Action Plan 13 made clear that country-by-country tax information would be shared confidentially among tax authorities for enforcement purposes, not made public. The international exchange mechanism under tax treaties for the sharing of country-by-country reports between governments also safeguards the appropriate use of the information. Indeed, the United States' participation in the Action Plan 13 exercise was conditioned on those confidentiality and appropriate use protections for US companies. Australia's PCBCR framework effectively overrides and erodes what the United States and the international community had agreed multilaterally under the BEPS initiative.

The information required by Australia's PCBCR rules may not be readily available or collected in the normal course of business. This places an extraordinary burden on multinational companies seeking to comply with the law. The law includes rigid requirements to publish this information on an ATO website. This precludes companies from providing additional context for the information as ATO only allows limited contextual details and no links to be added in a text box. Furthermore, there is no set time frame for removing the information from the public domain (Whereas the EU requires publication for a 5-year period). This may further exacerbate competitive distortions, as out-of-scope competitors are not required to publish such information in the required format.

Australia's PCBCR also diverges from the model adopted by the European Union (EU). In 2021, the EU implemented a similar mandate for public country-by-country reporting but was careful to include significant protections for commercially sensitive information. While we have similar extraterritorial and privacy concerns with the EU PCBCR regime, the rule that a company could defer disclosure of

such data for up to five years is somewhat mitigating. In contrast, while Australia granted ATO discretion to exempt the disclosure of information in certain cases of legal conflict or substantial commercial harm, recent draft guidance makes exemptions extremely difficult, if not impossible, to obtain in practice.

Given these concerns, and in the spirit of fostering fairness to allow US companies to thrive and compete globally, we respectfully urge you to engage with Australian authorities to address that country's infringement on US companies. We would welcome an opportunity to meet with you to discuss our concerns and explore potential solutions. Again, we are grateful for the Trump Administration's commitment to a level playing field which allows US companies to compete within a fair international environment and appreciate your consideration of this issue.

Sincerely,

Investment Company Institute (ICI)
American Chamber of Commerce in Australia (AmCham Australia)
Information Technology Industry Council (ITI)
Managed Funds Association (MFA)
National Association of Manufacturers (NAM)
National Foreign Trade Council (NFTC)
Securities Industry and Financial Markets Association: Asset Management Group (SIFMA AMG)
U.S. Chamber of Commerce
United States Council for International Business (USCIB)