



Oracle Corporation Australia Pty Limited

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20 February 2020

Committee Secretary
Senate Finance and Public Administration Legislation Committee

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Dear

Response to your letter dated 7 February 2020 relating to Senate Finance and Public Administration Legislation Committee's Inquiry into the Public Governance, Performance and Accountability Amendment (Tax Transparency in Procurement and Grants) Bill 2019

We appreciate the work of the Committee in promoting tax transparency, including its pending consideration of the Tax Transparency in Procurement and Grants Bill, and thank the Committee for this opportunity to respond to the remarks made by CPSU in its submission of 3 February. We want to assure the Committee that Oracle is committed to being fully compliant with all tax laws, regulations and published practices of the Australian government and the Australian Tax Office, as well as those of other governments and tax authorities. We constantly monitor tax law developments, and when there are changes in tax law, we carefully consider what modifications in our systems or practices, if any, are required to ensure constant compliance. Where appropriate, Oracle will engage external professional advisors and experts, or may seek input from the local tax authority, to assist in resolving uncertainty as to the appropriate application of tax law. In specific regard to our intra-group transactions, we use transfer pricing methods that are endorsed by the OECD in its *Transfer Pricing Guidelines* which are also consistent with the *Australian Transfer Pricing Rules* and we support our pricing determinations with benchmarking studies prepared by an external professional firm and which are provided to the ATO.

Further, Oracle engages with the ATO and other tax authorities in a cooperative, transparent and collaborative manner by reporting information in an accurate and timely fashion, providing additional information where requested and responding to questions in a full and timely manner. Oracle strives to resolve differences in accordance with established resolution procedures and channels, as we are doing in respect to our current ATO audit proceeding covering multiple years as disclosed in our financial statements.

Oracle's long history in Australia began in 1986. We take great pride in employing approximately 2000 employees in Australia and in serving our public and private sector customers.

Yours sincerely,

Dianne Hester

Authorised signatory

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