

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part 4VAAA of the *Taxation Administration Act 1953*, is a public ruling for the purposes of that Part. Taxation Ruling TR 92/1 explains when a Determination is a public ruling and how it is binding on the Commissioner. Unless otherwise stated, the Determination applies to transactions entered into both before and after its date of issue.

Taxation Determination

Income tax: insurance: section 112B: is the foreign income of an Australian resident life assurance company exempt from Australian income tax if it is remitted to Australia in a year of income after the year of income in which it is derived?

1. Yes. Unless the law provides otherwise, income can be assessed only in the year in which it is derived.
2. All the foreign income (as defined in subsection 6AB(1) of the *Income Tax Assessment Act 1936*) of an Australian resident life assurance company for the 1987-88 to 1989-90 income years is assessable in the income year in which it is derived except for the provisions of section 112B.
3. Section 112B operated only for the 1987-88 to 1989-90 income years to provide for an exemption for so much of the foreign income derived in any of those years as is not remitted to Australia in the particular year.

Commissioner of Taxation

16/07/92

FOI INDEX DETAIL: Reference No. I 121 2890

Related Determinations: TD 92/117, TD 92/118

Subject Ref: Australian life assurance companies, remittance of foreign income, exemption of foreign income

Legislative Ref ITAA 6AB (1), ITAA 112B

ATO Ref: Insurance Industry Cell

ISSN 1038 - 3158