

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part IVA 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, this Determination applies to years commencing both before and after its date of issue. However, this Determination does not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of the Determination (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).

Taxation Determination

Income tax: insurance: where an Australian life assurance company has directed its overseas representatives to purchase and dispose of overseas investments on its behalf, is the resulting profit foreign income for the purposes of the former section 112B of the *Income Tax Assessment Act 1936*?

1. Yes. Where the life company has directed its overseas representatives and the contracts to buy and sell the overseas investments are entered into outside Australia, the profit is foreign income for the purposes of the former section 112B.
2. In this Determination, an 'overseas investment' means:
 - . shares or debentures in a non-resident company listed on an overseas stock exchange,
 - . foreign government securities,
 - . futures registered on overseas exchanges,
 - . options relating to any of the above.
3. The question of whether foreign exchange gains on a transaction are foreign income for the purposes of the former section 112B is not dealt with in this determination.

Commissioner of Taxation
21/01/93

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