

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).

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## Taxation Determination

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### **Income tax: employee share acquisition schemes: can a resident taxpayer participating in a foreign employee share acquisition scheme take advantage of a reduction in discount under subsection 26AAC(4F) of the *Income Tax Assessment Act 1936*?**

1. Australian employees who receive shares in a foreign company under a scheme for the acquisition of shares by employees will be subject to provisions of section 26AAC.
2. If the Commissioner is satisfied that the "acquisition scheme" complies with **all** the requirements set out in subsection 26AAC(4A) at the time shares are issued or rights to acquire shares are granted, the employees will be able to take advantage of a reduction in discount.
3. The requirements of subsection 26AAC(4A) are set out in detail in Taxation Ruling IT 2516.

**Commissioner of Taxation**

1/4/93

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FOI INDEX DETAIL: Reference No. I 1214606

Previously issued as Draft TD 93/D37

Related Determinations:

Related Rulings: IT 2516

Subject Ref: employee share acquisition scheme; foreign schemes; reduction of aggregate discount amount; resident employees

Legislative Ref: ITAA 26AAC; 26AAC(4A); 26AAC(4F)

Case Ref:

ATO Ref: 92/6168-7

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