

Notice of Withdrawal

Income tax: (i) does the whole amount receivable by an advertising agency from an advertiser client (for the cost of media space, commission and service fee) form part of the gross income of the agency under subsection 25(1) of the *Income Tax Assessment Act 1936*? (ii) when is this income 'derived' for the purposes of subsection 25(1) of the *Income Tax Assessment Act 1936*? (iii) where an advertiser fails to pay an advertising agency for placing an advertisement with a media entity, is the agency entitled to claim a deduction under section 63 of the *Income Tax Assessment Act 1936*?

Draft Taxation Determination TD 93/D236 was withdrawn on 2 March 1994, this notice formalises that withdrawal.

As the Accreditation System for Advertising Agencies has now been revoked, the topics addressed in the taxation determination are not considered to be of high priority and do not justify a public ruling.

Commissioner of Taxation

1 November 1995

ATO Ref: NAT 5640-1