



Notice of Withdrawal

Taxation Determination

Income tax: will a balancing adjustment amount arise under section 40-285 of the *Income Tax Assessment Act 1997* if a balancing adjustment event, such as a sale, occurs for a depreciating asset before the taxpayer uses the asset, or has it installed ready for use, for any purpose?

Draft Taxation Determination TD 2006/D12 is withdrawn with effect from 19 July 2006.

1. Draft Taxation Determination TD 2006/D12 was intended to replace ATO Interpretative Decisions (ATO IDs) 2003/185 and 186 upon being finalised. As a result of comments received on the draft Determination, an issue was raised that is beyond the scope of the ATO IDs which this draft Determination was intended to replace. Consequently, TD 2006/D12 has been withdrawn. However, the Tax Office is working with the Department of Treasury to resolve this issue and the view expressed in the ATO IDs remains current.

Commissioner of Taxation

19 July 2006

ATO references

NO:	2005/18404
ISSN:	1038-8982
ATOlaw topic:	Income Tax ~~ Capital allowances ~~ balancing adjustments - balancing adjustment amount
	Income Tax ~~ Capital allowances ~~ balancing adjustments - balancing adjustment event