


# ***CR 2021/31 - The Citadel Group Limited - scheme of arrangement and payment of special dividend***

 This cover sheet is provided for information only. It does not form part of *CR 2021/31 - The Citadel Group Limited - scheme of arrangement and payment of special dividend*



## Class Ruling

# The Citadel Group Limited – scheme of arrangement and payment of special dividend

### **📌 Relying on this Ruling**

This publication (excluding appendixes) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

<b>Table of Contents</b>	<b>Paragraph</b>
What this Ruling is about	1
Who this Ruling applies to	4
When this Ruling applies	5
<b>Ruling</b>	<b>6</b>
<b>Scheme</b>	<b>30</b>
<b>Appendix 1 – Explanation</b>	<b>52</b>
<b>Appendix 2 – Legislative provisions</b>	<b>99</b>

### **What this Ruling is about**

1. This Ruling sets out the tax consequences for shareholders of The Citadel Group Limited (Citadel) who sold their shares under the scheme of arrangement which was announced on 14 September 2020 (Scheme of Arrangement) and received the special dividend.
2. Full details of the Scheme of Arrangement and special dividend are set out in paragraphs 30 to 51 of this Ruling.
3. All legislative references in this Ruling are to provisions of the *Income Tax Assessment Act 1936* or the *Income Tax Assessment Act 1997* (as detailed in the table in Appendix 2 of this Ruling) unless otherwise indicated.

### **Who this Ruling applies to**

4. This Ruling applies to you if you:
  - were a Citadel shareholder at 5:00pm (AEDT) on 10 December 2020 (Scheme Record Date) and participated in the Scheme of Arrangement under which Pacific Group Bidco Pty Ltd (BidCo) acquired 100% of the ordinary shares in Citadel

- held your Citadel shares on capital account, that is, you did not hold your Citadel shares as revenue assets (as defined in section 977-50) or as trading stock (as defined in subsection 995-1(1))
- were a resident shareholder as defined in subsection 6(1), and
- received the special dividend of 20 cents paid per Citadel share on 17 December 2020 (Special Dividend).

**When this Ruling applies**

5. This Ruling applies from 1 June 2020 to 30 June 2021.

**Ruling****Special Dividend**

6. The Special Dividend you received is a 'dividend' as defined in subsection 6(1).
7. The Special Dividend you received is a frankable distribution under section 202-40.

**Assessability of the Special Dividend and franking credits and tax offsets**

8. The Special Dividend you received is included in your assessable income (paragraph 44(1)(a)).
9. The franking credits attached to the Special Dividend are included in your assessable income and you are entitled to a tax offset equal to the amount of those credits (section 207-20), provided you are a 'qualified person' (as defined in Division 1A of former Part IIIAA).
10. If you received the Special Dividend as a trustee of a trust (not being a complying superannuation entity) or as a partnership, and you are not a corporate tax entity, you include the franking credit attached to the Special Dividend in your assessable income, provided you are a qualified person (subsection 207-35(1)).
11. If you are a partner in a partnership, or a beneficiary of a trust, and the Special Dividend flows indirectly through the partnership or trust to you, you include your share of the Special Dividend in your assessable income and you are entitled to a tax offset equal to your share of the franking credit attached to the dividend, provided both you and the partnership or trustee, as is relevant, are each a qualified person (section 207-45 and former subsection 160APHU(1)).
12. The tax offset is refundable, subject to the refundable tax offset rules in Division 67.

**Qualified persons**

13. The Special Dividend you received constitutes a 'related payment' for the purposes of paragraph 207-145(1)(a) and former section 160APHN.
14. You will be a qualified person in relation to the Special Dividend if you held your Citadel shares continuously from 25 October 2020 to 9 December 2020 (inclusive), where you did not have 'materially diminished risks of loss or opportunities for gain' (as defined in former section 160APHM) in respect of the shares.

**Exempting entity**

15. Citadel was not an exempting entity when the Special Dividend was paid to you, nor was it a former exempting entity at that time (Division 208).
16. Section 208-195 will not apply to exclude the application of Division 207.

**Anti-avoidance provisions****Sections 177EA and 204-30**

17. The Commissioner will not make a determination under paragraph 177EA(5)(b) or paragraph 204-30(3)(c) to deny the whole, or any part of, the imputation benefit received in relation to the Special Dividend.

**Capital gains tax consequences****CGT event A1**

18. CGT event A1 happened to you on 17 December 2020 (Implementation Date) when you disposed of each of your Citadel shares to BidCo in accordance with the Scheme of Arrangement (section 104-10).

**Capital proceeds**

19. The capital proceeds you received from the disposal of each Citadel share under the Scheme of Arrangement was \$5.50, which is the consideration of \$5.70 per share reduced by the amount of the Special Dividend (subsection 116-20(1)).

**Capital gain or capital loss**

20. You made a capital gain if the capital proceeds from the disposal of your Citadel share exceeds its cost base (subsection 104-10(4)). The capital gain is the difference.
21. You made a capital loss if the capital proceeds from the disposal of your Citadel share is less than its reduced cost based (subsection 104-10(4)). The capital loss is the difference.

**Discount capital gain**

22. If you made a capital gain from the disposal of your Citadel share, you are entitled to treat the capital gain as a discount capital gain provided you acquired your Citadel share on or before 17 December 2019 and the other conditions of Division 115 are satisfied (subsection 115-25(1)).

**Availability of scrip for scrip roll-over if a capital gain is made**

23. Subject to paragraph 24 of this Ruling, if you made a capital gain from the disposal of your Citadel share, you may choose scrip for scrip roll-over (sections 124-780 and 124-785).
24. Scrip for scrip roll-over cannot be chosen if any capital gain you might subsequently make from your replacement Pacific Group Topco Limited (HoldCo) share would be disregarded on a subsequent CGT event, except because of a roll-over (paragraph 124-795(2)(a)).

***Consequences if scrip for scrip roll-over is chosen***

25. If you choose scrip for scrip roll-over, that part of the capital gain that is attributable to the receipt of a HoldCo share is disregarded (subsections 124-785(1) and 124-790(1)). Any part of the capital gain that is attributable to the receipt of cash is not disregarded because it is ineligible proceeds for which roll-over is not available (subsection 124-790(1)).

26. For the purposes of determining eligibility to make a discount capital gain, the shares you acquired in HoldCo in exchange for your Citadel shares are taken to have been acquired on the date you acquired, for CGT purposes, the corresponding Citadel shares (table item 2 in subsection 115-30(1)).

***Consequences if you do not, or cannot, choose scrip for scrip roll-over for your shares in The Citadel Group Limited***

27. If you do not, or cannot, choose scrip for scrip roll-over, you must take into account any capital gain or capital loss from CGT event A1 happening on the disposal of your Citadel shares (sections 102-5 and 102-10).

28. If you made a capital gain and do not, or cannot, choose scrip for scrip roll-over, you can treat the capital gain as a discount capital gain provided that the conditions of Subdivision 115-A are met. In particular, the Citadel shares that you disposed of must have been acquired by you at least 12 months before the Implementation Date.

29. If you do not, or cannot, choose scrip for scrip roll-over, the shares in HoldCo were acquired by you when they were issued by HoldCo on the Implementation Date (table item 2 in section 109-10).

**Scheme**

30. The following description of the scheme is based on information provided by Citadel. If the scheme is not carried out as described, this Ruling cannot be relied upon.

**Relevant entities*****The Citadel Group Limited***

31. Citadel is an Australian-resident company which was listed on the Australian Securities Exchange (ASX) on 13 November 2014. After the Scheme of Arrangement and following an ASX market announcement on 18 December 2020, it ceased to be listed on the ASX.

32. Citadel had a single class share capital structure consisting of ordinary shares. As at 14 September 2020, Citadel had 78,710,046 ordinary shares on issue.

33. Citadel's shareholders included both residents and non-residents. At no time since incorporation did non-resident Citadel shareholders own 95% or more of the ordinary shares in Citadel. As at 14 September 2020, no non-resident (either alone or together with associates) beneficially held more than 10% of the shares in Citadel.

34. Citadel paid fully franked dividends each year since it had been listed.

35. Citadel previously issued shares to employees under employee share schemes; however, all such shares were issued prior to the announcement of the Scheme of Arrangement. Further, all unexercised rights to acquire shares under employee share schemes were cancelled by Citadel in exchange for a cash payment by Citadel prior to the implementation of the Scheme of Arrangement.

#### ***Pacific Equity Partners Pty Limited***

36. Pacific Equity Partners Pty Limited is a leading Australian private equity manager which established and manages Fund VI.

37. Fund VI comprises a series of unit trusts and limited partnerships which collectively have approximately \$2.5 billion of funds under management and are invested in by leading Australian and foreign institutional investors. The proportion of the underlying ownership of Fund VI which is held by Australia tax residents is in excess of 5%.

38. Fund VI has established a corporate acquisition and holding structure to participate in the Scheme of Arrangement and acquire Citadel. HoldCo is the parent corporate entity in that structure and BidCo is a wholly-owned subsidiary of HoldCo.

#### ***Scheme of Arrangement***

39. On 14 September 2020, Citadel announced that it had entered into the Scheme Implementation Deed with BidCo under which BidCo proposed to acquire all the issued shares of Citadel by way of a scheme of arrangement under Part 5.1 of the *Corporations Act 2001*.

40. Under the Scheme of Arrangement, each person registered as a holder of Citadel shares as at the Scheme Record Date was entitled to participate in the Scheme of Arrangement.

41. Citadel shareholders agreed to transfer their Citadel shares to BidCo in return for receiving consideration of \$5.70 per share on the Implementation Date less the amount of the Special Dividend. The consideration (less the Special Dividend) may be received in cash, a replacement share in HoldCo or a mix of cash and a replacement share.

42. Citadel shares were removed from official quotation on the ASX on 18 December 2020.

43. Both Citadel and HoldCo did not have a 'significant stakeholder' or 'common stakeholder' in relation to the Scheme of Arrangement within the meaning of those terms in section 124-783.

44. Following the implementation of the Scheme of Arrangement, Citadel shares were removed from the official quotation on the ASX and Citadel was renamed 'The Citadel Group Pty Limited'.

#### ***Special Dividend***

45. On 1 December 2020, Citadel declared a fully franked Special Dividend of 20 cents per Citadel share held on 8 December 2020 (Special Dividend Record Date). The Special Dividend was paid on 17 December 2020.

46. The Special Dividend complied with the requirements of the *Corporations Act 2001*, including section 254T of that Act.

47. The Special Dividend was paid out of profits derived by Citadel from sources in Australia and funded entirely out of cash reserves maintained by Citadel.

48. The Special Dividend was debited solely against Citadel's retained earnings account and not against an amount standing to the credit of Citadel's share capital account.

49. The Special Dividend was not conditional upon approval of the Scheme of Arrangement, and the Scheme of Arrangement was not conditional on the declaration of the Special Dividend. The Scheme of Arrangement was not conditional on BidCo or a third party financing or facilitating payment of the Special Dividend or BidCo or a third party being obliged to bring about the result that the Special Dividend would be received by Citadel shareholders.

50. The Special Dividend was declared and paid by Citadel in its absolute discretion. Neither BidCo nor any of its associates had any influence or control over the declaration and payment of the Special Dividend.

### **Key dates**

51. The following is a summary of the key dates for the Scheme of Arrangement:

Announcement date	14 September 2020
Scheme Implementation Deed	14 September 2020
First Court Date	29 October 2020
Dispatch of Scheme booklet to Citadel shareholders	30 October 2020
Scheme Meeting	1 December 2020
Second Court Date	7 December 2020
Special Dividend Record Date	8 December 2020
Scheme Record Date	10 December 2020
Special Dividend Payment Date	17 December 2020
Implementation Date	17 December 2020
Citadel shares were removed from official quotation on the ASX	18 December 2020

---

**Commissioner of Taxation**

5 May 2021

---

**Appendix 1 – Explanation**

**❶** *This Explanation is provided as information to help you understand how the Commissioner's view has been reached. It does not form part of the binding public ruling.*

<b>Table of Contents</b>	<b>Paragraph</b>
Special Dividend	52
Dividends can be franked	56
Gross-up and tax offset	58
<i>Qualified person</i>	61
<i>Related payment rule</i>	65
<i>Secondary qualification period</i>	69
<i>Holding period rule</i>	71
Refundable tax offset	77
Capital gains tax consequences	80
<i>CGT event A1</i>	80
<i>Capital proceeds</i>	83
<i>Capital gain or capital loss</i>	88
<i>Discount capital gain</i>	91
<i>Availability of scrip for scrip roll-over</i>	92
Anti-avoidance provisions	93
<i>Section 177EA</i>	93
<i>Section 204-30</i>	95

**Special Dividend**

52. The term 'dividend' is defined in subsection 6(1) to include any distribution of money made by a company to any of its shareholders which is not debited against an amount standing to the credit of the company's share capital account.

53. The Special Dividend paid by Citadel is a distribution that was not debited against an amount standing to the credit of its share capital account. Accordingly, the Special Dividend is a dividend for the purposes of subsection 6(1).

54. The assessable income of a resident shareholder includes dividends paid by a company out of profits derived by it from any source (subparagraph 44(1)(a)(i)).

55. The Special Dividend you received is included in your assessable income as it was paid out of profits derived by Citadel.

**Dividends can be franked**

56. A distribution is a frankable distribution to the extent it is not unfrankable (section 202-40). Section 202-45 sets out the circumstances under which an amount or distribution is taken to be unfrankable.

57. The Special Dividend is a frankable distribution as none of the circumstances listed in section 202-45 apply to the Special Dividend.

**Gross-up and tax offset**

58. If you are a qualified person in relation to the Special Dividend, your assessable income includes the amount of the franking credit (subsection 207-20(1)) and you will be entitled to a tax offset equal to the franking credit on the distribution (subsection 207-20(2)).

59. The assessable income of a partnership or trustee of a trust (that is not an entity taxed as a corporate tax entity, and if a trustee, that is not a complying superannuation fund) which satisfies the qualified person rule, includes the amount of the franking credit attached to the Special Dividend (subsection 207-35(1)).

60. Where you are not a qualified person in relation to the Special Dividend, you do not include the franking credit attached to the Special Dividend in your assessable income (paragraph 207-145(1)(e)) and you are not entitled to a tax offset equal to the amount of franking credit attached to the Special Dividend (paragraph 207-145(1)(f)).

**Qualified person**

61. An entity must be a qualified person in relation to a dividend in order to be entitled to a tax offset in respect of the franking credit on a dividend (subsection 207-145(1)).

62. Paragraph 207-145(1)(a), which refers to Division 1A of former Part IIIAA, provides the statutory tests you must satisfy to be a qualified person in relation to a franked distribution you received in order for you to be entitled to a tax offset for the franking credit on the distribution.

63. Former section 160APHU provides that a partner in a partnership or the beneficiary of a trust cannot be a qualified person in relation to a dividend unless the partnership or the trustee of the trust is also a qualified person in relation to the dividend.

64. The test of what constitutes a qualified person is set out in former subsection 160APHO(1). Broadly, if you were not under an obligation to make a related payment in relation to the dividend, you are required to satisfy the holding period rule in relation to the primary qualification period. If you were under an obligation to make a related payment in relation to the dividend, you are required to satisfy the holding period rule in relation to the secondary qualification period.

**Related payment rule**

65. In order to determine the relevant qualification period, it is necessary to determine whether you or an associate have made, were under an obligation to make, or are likely to make, a related payment in respect of the Special Dividend you received (former subsection 160APHN(2)).

66. Examples of what constitutes the making of a related payment for the purposes of Division 1A of former Part IIIAA are set out in former section 160APHN. Broadly, a related payment is where a scheme shareholder has done, or is obliged to do, anything which has the effect of passing the benefit of a dividend to one or more other persons.

67. Under the Scheme Implementation Deed, the consideration paid by BidCo was reduced by the amount of the Special Dividend. The reduction of the consideration, calculated with reference to the amount of the Special Dividend, has the effect of passing the benefit of the dividend from a Citadel shareholder to BidCo.

68. Therefore, you (or a partner in a partnership or a beneficiary of a trust that had an interest in Citadel shares) are taken to have made a related payment in respect of the Special Dividend.

#### *Secondary qualification period*

69. The secondary qualification period in this case is the period beginning 45 days before, and ending 45 days after, the day on which a share becomes ex dividend (former section 160APHD).

70. Under former subsection 160APHE(1), a share becomes ex dividend on the day after the last day on which the acquisition by a person of the share entitles them to receive the dividend. The last day on which acquisition by a person of a Citadel share entitled the person to receive the Special Dividend was the Special Dividend Record Date. It follows that Citadel shares became ex dividend on 9 December 2020. Accordingly, the secondary qualification period is the period commencing 45 days before and ending 45 days after the ex dividend date, namely 25 October 2020 to 24 January 2021 (inclusive).

#### *Holding period rule*

71. The holding period rule requires shareholders to hold their ordinary shares 'at risk' for a continuous period of not less than 45 days (not including the day on which the share was acquired, or the day on which the share was disposed of) during the relevant qualification period (former paragraph 160APHO(2)(a)).

72. Any days during which a shareholder has materially diminished risks of loss or opportunities for gain in respect of the shares are excluded, but the exclusion is not taken to break the continuity of the period for which the taxpayer held the shares (former subsection 160APHO(3)).

73. Under former subsection 160APHM(2), you are taken to have materially diminished risks of loss and opportunities for gain on a particular day with respect to your Citadel shares if your net position on that day in relation to the shares has less than 30% of those risks and opportunities.

74. In the Commissioner's view, none of the events on any of the key dates set out in paragraph 51 of this Ruling before the end of the secondary qualification period on 24 January 2021 affect whether you held your Citadel shares at risk or not.

75. There are at least 45 clear days between 25 October 2020 for the Special Dividend and the Scheme Record Date (at which time you became committed to dispose of your Citadel shares to BidCo under the Scheme of Arrangement). If you acquired your Citadel shares on or before 25 October 2020 and disposed of them to BidCo under the Scheme of Arrangement, you satisfied the holding period rule if you held those shares at risk for at least 45 continuous days.

76. The small shareholder exception in former section 160APHT does not apply as the Special Dividend constitutes a related payment as discussed at paragraphs 65 to 68 of this Ruling. Therefore, if you are an individual who has franking credit offsets not exceeding \$5,000 for the year of income ending 30 June 2021, you must also satisfy the holding period requirement in relation to the Special Dividend (former section 160APHT(2)).

### **Refundable tax offset**

77. Your entitlement to the franking tax offset under Division 207 in relation to the Special Dividend is subject to the refundable tax offset rules in Division 67, provided you are not excluded under section 67-25.

78. You are specifically excluded from the operation of the refundable tax offset rules pursuant to section 67-25 if you are a:

- non-complying superannuation fund or non-complying approved deposit fund (subsection 67-25(1A))
- a trustee of a trust who is liable to be assessed under sections 98 or 99A (subsection 67-25(1B))
- corporate tax entity, unless the entity is an exempt institution that is eligible for a refund or a life insurance company that has received distributions on membership interests which were not held by the company on behalf of its shareholders (subsections 67-25(1C) and (1D)), and
- non-resident that carries on business in Australia or through a permanent establishment of the entity in Australia (subsection 67-25(1DA)).

79. Division 63 sets out the rules on how, and in what order, tax offsets are applied against an income tax liability. Where a tax offset that is subject to the refundable tax offset rules in Division 67 exceeds your income tax liability, you are entitled to a refund of the difference (table item 40 of section 63-10).

### **Capital gains tax consequences**

#### ***CGT event A1***

80. CGT event A1 happens if there is a change in the ownership of a CGT asset (section 104-10). The event happens when a contract to dispose of the asset is entered into or, if there is no contract, when the change of ownership occurs (subsection 104-10(3)).

81. The disposal of Citadel shares under a court-approved Scheme of Arrangement results in a disposal of shares, but not under a contract. Therefore, CGT event A1 happened on the Implementation Date when there was a change of ownership in a Citadel share from you to BidCo under the Scheme of Arrangement (subsections 104-10(1) and 104-10(2) and paragraph 104-10(3)(b)).

82. The time when CGT event A1 happens determines the income year in which you make a capital gain or capital loss and whether you are entitled to the CGT discount for any capital gain you made.

**Capital proceeds**

83. The capital proceeds you receive from a CGT event is the amount of money and the market value of any property you received or are entitled to receive (worked out at the time the event happened) in respect of the event happening (subsection 116-20(1)).

84. The term 'in respect of the event happening' in subsection 116-20(1) requires the relationship between the event and the receipt of the money, or the entitlement to receive the money, to be more than coincidental. An amount is not capital proceeds received or entitled to be received in respect of a CGT event merely because it is received in association with the CGT event.<sup>1</sup>

85. In this case, the Special Dividend was not paid in respect of the disposal of Citadel shares under the Scheme of Arrangement. The Scheme of Arrangement was not conditional on declaration of the Special Dividend, BidCo or a third party financing or facilitating payment of the Special Dividend, or BidCo or a third party being obliged to bring about the result that the Special Dividend would be paid to existing shareholders.

86. The Commissioner considers that the Special Dividend was not received in respect of the disposal of Citadel shares under the Scheme of Arrangement. Accordingly, the Special Dividend does not form part of the capital proceeds in respect of CGT event A1 happening.

87. Therefore, the capital proceeds you received from CGT event A1 happening on disposal of each Citadel share is \$5.50 per share.

**Capital gain or capital loss**

88. You make a capital gain from CGT event A1 happening if the capital proceeds from the disposal of your Citadel share exceeds the cost base of the share (subsection 104-10(4)).

89. You make a capital loss from CGT event A1 happening if the capital proceeds are less than the reduced cost base of the Citadel share (subsection 104-10(4)).

90. The cost base and reduced cost base of each Citadel share depends on your individual circumstances.

**Discount capital gain**

91. If you make a capital gain from the disposal of your Citadel share, you are eligible to treat the capital gain as a discount capital gain, provided that:

- you are an individual, complying superannuation entity, or (subject to the rules in Subdivision 115-C) a trust (section 115-10)
- the capital gain was worked out using a cost base that was calculated without reference to indexation (subsection 115-20(1)), and
- you acquired your Citadel share on or before 17 December 2019 which was at least 12 months prior to CGT event A1 happening (subsection 115-25(1)).

<sup>1</sup> Taxation Ruling TR 2010/4 *Income tax: capital gains: when a dividend will be included in the capital proceeds from a disposal of shares that happens under a contract or a scheme of arrangement.*

**Availability of scrip for scrip roll-over**

92. Refer to paragraphs 23 to 29 of this Ruling which explain the availability of scrip for scrip roll-over.

**Anti-avoidance provisions****Section 177EA**

93. Section 177EA is a general anti-avoidance provision that applies where one of the purposes (other than an incidental purpose) of a particular scheme is to enable a taxpayer to obtain an imputation benefit.

94. It is considered that the conditions for applying section 177EA are not satisfied in relation to Citadel's payment of the Special Dividend. Therefore, the Commissioner will not make a determination under paragraph 177EA(5)(b) to deny the whole, or part, of the imputation benefits received by Citadel shareholders in relation to the Special Dividend.

**Section 204-30**

95. Section 204-30 applies where a corporate tax entity streams the payment of dividends to its members in such a way that certain shareholders (referred to as 'favoured members') obtain imputation benefits, and other shareholders (referred to as 'disadvantaged members') obtain lesser or no imputation benefits, whether or not they receive other benefits. The favoured members are those that derive a greater benefit from imputation benefits than disadvantaged members.

96. For section 204-30 to apply, members to whom distributions are streamed must derive a greater benefit from franking credits than another member entity. The words 'derive a greater benefit from franking credits' are defined in subsection 204-30(8) by reference to the ability of the members to fully use imputation benefits.

97. Under the Scheme of Arrangement, you received an imputation benefit when the Special Dividend was paid. The Special Dividend was paid equally to all Citadel shareholders and was fully franked regardless of the tax profiles of Citadel's shareholders. Accordingly, it cannot be said that Citadel selectively directed the flow of the franked dividend to those members who obtained the most benefit from the franking credits.

98. As the conditions in subsection 204-30(1) were not met, the Commissioner will not make a determination under paragraph 204-30(3)(c) to deny the whole, or any part, of the imputation benefits received by a Citadel shareholder in relation to the Special Dividend.

**Appendix 2 – Legislative provisions**

99. This paragraph sets out the details of the provisions ruled upon or referenced in this Ruling.

<i>Income Tax Assessment Act 1936</i>	subsection 6(1)
<i>Income Tax Assessment Act 1936</i>	paragraph 44(1)(a)
<i>Income Tax Assessment Act 1936</i>	subparagraph 44(1)(a)(i)
<i>Income Tax Assessment Act 1936</i>	section 98
<i>Income Tax Assessment Act 1936</i>	section 99A
<i>Income Tax Assessment Act 1936</i>	former Part IIIAA Division1A
<i>Income Tax Assessment Act 1936</i>	former section 160APHD
<i>Income Tax Assessment Act 1936</i>	former subsection 160APHE(1)
<i>Income Tax Assessment Act 1936</i>	former section 160APHM
<i>Income Tax Assessment Act 1936</i>	former subsection 160APHM(2)
<i>Income Tax Assessment Act 1936</i>	former section 160APHN
<i>Income Tax Assessment Act 1936</i>	former subsection 160APHN(2)
<i>Income Tax Assessment Act 1936</i>	former subsection 160APHO(1)
<i>Income Tax Assessment Act 1936</i>	former paragraph160APHO(2)(a)
<i>Income Tax Assessment Act 1936</i>	former subsection 160APHO(3)
<i>Income Tax Assessment Act 1936</i>	former section 160APHT
<i>Income Tax Assessment Act 1936</i>	former subsection 160APHT(2)
<i>Income Tax Assessment Act 1936</i>	former section 160APHU
<i>Income Tax Assessment Act 1936</i>	former subsection 160APHU(1)
<i>Income Tax Assessment Act 1936</i>	section 177EA
<i>Income Tax Assessment Act 1936</i>	paragraph 177EA(5)(b)
<i>Income Tax Assessment Act 1997</i>	Division 63
<i>Income Tax Assessment Act 1997</i>	section 63-10
<i>Income Tax Assessment Act 1997</i>	Division 67
<i>Income Tax Assessment Act 1997</i>	section 67-25
<i>Income Tax Assessment Act 1997</i>	subsection 67-25(1A)
<i>Income Tax Assessment Act 1997</i>	subsection 67-25(1B)
<i>Income Tax Assessment Act 1997</i>	subsection 67-25(1C)
<i>Income Tax Assessment Act 1997</i>	subsection 67-25(1D)
<i>Income Tax Assessment Act 1997</i>	subsection 67-25(1DA)
<i>Income Tax Assessment Act 1997</i>	section 102-5
<i>Income Tax Assessment Act 1997</i>	section 102-10
<i>Income Tax Assessment Act 1997</i>	section 104-10
<i>Income Tax Assessment Act 1997</i>	subsection 104-10(1)
<i>Income Tax Assessment Act 1997</i>	subsection 104-10(2)
<i>Income Tax Assessment Act 1997</i>	subsection 104-10(3)
<i>Income Tax Assessment Act 1997</i>	paragraph 104-10(3)(b)
<i>Income Tax Assessment Act 1997</i>	subsection 104-10(4)
<i>Income Tax Assessment Act 1997</i>	section 109-10
<i>Income Tax Assessment Act 1997</i>	Division 115
<i>Income Tax Assessment Act 1997</i>	Subdivision 115-A
<i>Income Tax Assessment Act 1997</i>	Subdivision 115-10
<i>Income Tax Assessment Act 1997</i>	subsection 115-20(1)
<i>Income Tax Assessment Act 1997</i>	subsection 115-25(1)

<i>Income Tax Assessment Act 1997</i>	subsection 115-30(1)
<i>Income Tax Assessment Act 1997</i>	Subdivision 115-C
<i>Income Tax Assessment Act 1997</i>	subsection 116-20(1)
<i>Income Tax Assessment Act 1997</i>	section 124-780
<i>Income Tax Assessment Act 1997</i>	section 124-783
<i>Income Tax Assessment Act 1997</i>	section 124-785
<i>Income Tax Assessment Act 1997</i>	subsection 124-785(1)
<i>Income Tax Assessment Act 1997</i>	subsection 124-790(1)
<i>Income Tax Assessment Act 1997</i>	paragraph 124-795(2)(a)
<i>Income Tax Assessment Act 1997</i>	section 202-40
<i>Income Tax Assessment Act 1997</i>	section 202-45
<i>Income Tax Assessment Act 1997</i>	section 204-30
<i>Income Tax Assessment Act 1997</i>	subsection 204-30(1)
<i>Income Tax Assessment Act 1997</i>	paragraph 204-30(3)(c)
<i>Income Tax Assessment Act 1997</i>	subsection 204-30(8)
<i>Income Tax Assessment Act 1997</i>	Division 207
<i>Income Tax Assessment Act 1997</i>	section 207-20
<i>Income Tax Assessment Act 1997</i>	subsection 207-20(1)
<i>Income Tax Assessment Act 1997</i>	subsection 207-20(2)
<i>Income Tax Assessment Act 1997</i>	subsection 207-35(1)
<i>Income Tax Assessment Act 1997</i>	section 207-45
<i>Income Tax Assessment Act 1997</i>	subsection 207-145(1)
<i>Income Tax Assessment Act 1997</i>	paragraph 207-145(1)(a)
<i>Income Tax Assessment Act 1997</i>	paragraph 207-145(1)(e)
<i>Income Tax Assessment Act 1997</i>	paragraph 207-145(1)(f)
<i>Income Tax Assessment Act 1997</i>	Division 208
<i>Income Tax Assessment Act 1997</i>	section 208-195
<i>Income Tax Assessment Act 1997</i>	section 977-50
<i>Income Tax Assessment Act 1997</i>	subsection 995-1(1)

**References***Previous draft:*

Not previously issued as a draft

*Legislative references:*

- TAA 1953
- Corporations Act 2001 Pt 5.1
- Corporations Act 2001 254T

*Related Rulings/Determinations:*

TR 2010/4

## ATO references

NO: 1-NY79D9O

ISSN: 2205-5517

BSL: PGI

ATOlaw topic: Administration ~~ Public advice and guidance  
Income tax ~~ Assessable income ~~ Dividend income ~~ Dividend income  
Income tax ~~ Capital gains tax ~~ CGT events ~~ CGT event A1 – Disposal  
of asset  
Income tax ~~ Capital gains tax ~~ Capital proceeds  
Income tax ~~ Capital management ~~ Anti-avoidance rules ~~  
Section 177EA

---

**© AUSTRALIAN TAXATION OFFICE FOR THE COMMONWEALTH OF AUSTRALIA**

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).