

# ***LCR 2020/1A1 - Addendum - JobKeeper payment - decline in turnover test***

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# Addendum

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## Law Companion Ruling

### JobKeeper payment – decline in turnover test

This Addendum amends Law Companion Ruling LCR 2020/1 to clarify that certain gifts to deductible gift recipients, that are treated as consideration for a supply, do not have to be tax deductible for the donor.

LCR 2020/1 is amended as follows:

**1. Paragraph 22**

(a) Omit the first dot point, excluding footnote 24; substitute:

- the receipt of certain gifts<sup>23A</sup> by a deductible gift recipient<sup>24</sup>

(b) In the first dot point, after ‘the receipt of certain gifts’, insert footnote 23A:

<sup>23A</sup> Gift takes its ordinary meaning as explained in Taxation Ruling TR 2005/13 *Income tax: tax deductible gifts – what is a gift*. Paragraph 8(8)(f) refers to a gift described in an applicable table item in section 30-15 of the *Income Tax Assessment Act 1997* (ITAA 1997) as a gift (gift does not include a contribution as described in the table items). The gift does not need to be deductible for the donor.

(c) Omit the wording of footnote 24, insert:

Under paragraph 30-227(2)(b) of the ITAA 1997, a deductible gift recipient includes an entity that is endorsed to operate a fund, authority or institution that is a deductible gift recipient.

**2. Paragraph 86**

In footnote 77, omit ‘*Income Tax Assessment Act 1997*’; substitute ‘ITAA 1997’.

This Addendum applies from 7 May 2020.

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**Commissioner of Taxation**

7 May 2020

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ATO references

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