



***TD 2011/D10W - Notice of Withdrawal - Income tax:  
when considering the application of subsection  
159GZZZQ(2) of the Income Tax Assessment Act  
1936 to an exiting vendor practitioner-shareholder by  
a 'no goodwill' incorporated professional practice,  
will the Commissioner consider that the buy-back  
price is less than the market value of the shares  
merely because the price is calculated not to reflect  
the underlying goodwill of the company?***

 This cover sheet is provided for information only. It does not form part of *TD 2011/D10W - Notice of Withdrawal - Income tax: when considering the application of subsection 159GZZZQ(2) of the Income Tax Assessment Act 1936 to an exiting vendor practitioner-shareholder by a 'no goodwill' incorporated professional practice, will the Commissioner consider that the buy-back price is less than the market value of the shares merely because the price is calculated not to reflect the underlying goodwill of the company?*

 This document has changed over time. This is a consolidated version of the ruling which was published on 9 May 2016



---

## Notice of Withdrawal

---

### Draft Taxation Determination

Income tax: when considering the application of subsection 159GZZZQ(2) of the *Income Tax Assessment Act 1936* to an exiting vendor practitioner-shareholder by a 'no goodwill' incorporated professional practice, will the Commissioner consider that the buy-back price is less than the market value of the shares merely because the price is calculated not to reflect the underlying goodwill of the company?

Taxation Determination TD 2011/D10 is withdrawn with effect from today.

1. TD 2011/D10 concluded that no, the Commissioner will accept in calculating the market value of the share in applying subsection 159GZZZQ(2) of the *Income Tax Assessment Act 1936*, that the goodwill of the company can be taken to have no value.
2. Following consultations with the Professional Firms Working Group, TD 2011/26, TD 2011/D9 and TD 2011/D10 would be withdrawn and replaced by the administrative treatment outlined in [\*Administrative treatment: acquisitions and disposals of interests in 'no goodwill' professional partnerships, trusts and incorporated practices\*](#).published today.

---

**Commissioner of Taxation**  
4 May 2016

---

# TD 2011/D10

---

Page 2 of 2

---

ATO references

NO: 1-80TSE13  
ISSN: 2205-6211

---

**© 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).