


TD 93/D257 - Income tax: insurance: in the calculation of the amount deductible for the general management expenses of a life assurance company, should assessable income and total income for subsection 113(2) purposes include amounts that relate to the conduct of general insurance business?

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Draft Taxation Determination

Income tax: insurance: in the calculation of the amount deductible for the general management expenses of a life assurance company, should assessable income and total income for subsection 113(2) purposes include amounts that relate to the conduct of general insurance business?

1. Yes. In the calculation of the amounts that are deductible under subsection 113(2), the amounts to be taken into account in the formula assessable income over total income should include the assessable income and total income 'of the company.' Accordingly if a life assurance company also conducts general insurance business (or any other business), providing that it carries on the principal business of life assurance, assessable income and total income in the formula for subsection 113(2) purposes must include the income from all sources, that is from each business.

Commissioner of Taxation
30/9/93

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