


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?

 This cover sheet is provided for information only. It does not form part of *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?*

This document has been finalised by TD 94/12.



Draft Taxation Determinations (TDs) represent the preliminary, though considered, views of the ATO. Draft TDs may not be relied on; only final TDs are authoritative statements of the ATO.

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

FOI INDEX DETAIL: Reference No.

Related Determinations: TD 93/D256

Subject Ref: Australian life assurance companies, general management expenses.

Legislative Ref: ITAA 113(2)

ATO Ref: Insurance Industry Cell

ISSN 1038 - 8982