TD 93/D37 - Income tax: employee share acquisition schemes: can a resident taxpayer participating in a foreign employee share acquisition scheme take advantage of a reduction in discount under subsection 26AAC(4F) of the Income Tax Assessment Act 1936?

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This document has been finalised by TD 93/60.

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: employee share acquisition schemes: can a resident taxpayer participating in a foreign employee share acquisition scheme take advantage of a reduction in discount under subsection 26AAC(4F) of the *Income Tax Assessment Act 1936*?

1.   Australian employees who receive shares in a foreign company under a scheme for the acquisition of shares by employees will be subject to provisions of section 26AAC.

2.   If the Commissioner is satisfied that the "acquisition scheme" complies with **all** the requirements set out in subsection 26AAC(4A) at the time shares are issued or rights to acquire shares are granted, the employees will be able to take advantage of a reduction in discount.

3.   The requirements of subsection 26AAC(4A) are set out in detail in Taxation Ruling IT 2516.

Commissioner of Taxation
18/2/93

FOI INDEX DETAIL: Reference No.

Related Determinations:

Related Rulings: IT 2516

Subject Ref: employee share acquisition scheme; foreign schemes; reduction of aggregate discount amount; resident employees

Legislative Ref: ITAA 26AAC; 26AAC(4A); 26AAC(4F)

Case Ref:

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