


IT 254W - Sole parent rebate for part of year that a divorced or separated parent has access to child

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Notice of Withdrawal

Taxation Ruling IT 254

Sole parent rebate for part of year that a divorced or separated parent has access to child

Taxation Ruling IT 254 is withdrawn with effect from 28 May 2026.

1. Taxation Ruling IT 254 considered whether a part year sole parent rebate under former subsection 159K(2) of the *Income Tax Assessment Act 1936* (ITAA 1936) may be allowed to a divorced or separated parent who has, under a court order or otherwise, significant periodic access to a child during a year in circumstances where the other parent might have custody of the child.
2. Taxation Ruling IT 254 is being withdrawn because former section 159K of the ITAA 1936 was repealed by the *Tax and Superannuation Laws Amendment (2015 Measures No 1) Act 2015* with effect from the 2014–15 income year. Entitlement to the sole parent rebate first ended in the 2000–01 income year, but it was notionally retained for the purposes of calculating a component of the zone tax offset, the overseas forces tax offset and for determining entitlement to the Medicare levy family income threshold. From the 2014–15 income year former section 159K was rewritten within Subdivision 961-B of the *Income Tax Assessment Act 1997*, and this sets out the conditions which, if met, create an entitlement to the dependant (sole parent of a non-student child under 21 years old or student) notional tax offset.
3. There will be no impact following withdrawal of Taxation Ruling IT 254 as entitlement to a sole parent rebate no longer exists.

Commissioner of Taxation

27 May 2026

ATO references

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