

# ***PR 2000/30W - Income tax: Forest Rewards Sandalwood Project 2000***

 This cover sheet is provided for information only. It does not form part of *PR 2000/30W - Income tax: Forest Rewards Sandalwood Project 2000*

 This document has changed over time. This is a consolidated version of the ruling which was published on *18 May 2011*



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## Notice of Withdrawal

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### Product Ruling

#### Income tax: Forest Rewards Sandalwood

#### Project 2000

[**Note:** This is a consolidated version of this document. Refer to the ATO Legal Database (<http://law.ato.gov.au>) to check its currency and to view the details of all changes.]

1. Product Ruling PR 2000/30 set out the Commissioner's view on the tax consequences for entities who participated in the Forest Rewards Sandalwood Project 2000 (the Project) by entering into Sub-Lease and Management Agreements for the purpose of carrying on a business of commercial growing of Western Australian Sandalwood. The Ruling was withdrawn on 20 June 2001 as interests in the Project were no longer being sold.

2. Although withdrawn, the Ruling continues to apply to Growers who were accepted to participate in the Project between 5 April 2000 and 30 June 2000. It therefore could be relied upon subject to there being no material difference in the arrangement, or in the Growers' involvement in the arrangement.

3. PR 2000/30 ruled that Growers could claim deductions for lease, administration and management fees although the deductibility of losses from the Project was subject to the non-commercial loss rules in Division 35 of the *Income Tax Assessment Act 1997* (ITAA 1997). The Commissioner exercised his discretion to allow losses from this Project for the years ended 30 June 2006 to 30 June 2010. The Commissioner's discretion only applied whilst there was no material difference in the arrangement or in the Growers' involvement in the arrangement.

4. On 30 March 2011, Black Tree Pty Ltd was appointed as Manager of the Project. Black Tree has proposed changes to the arrangement ruled upon in PR 2000/30. Product Ruling PR 2011/13 has been issued for the revised arrangement effective from 30 March 2011.

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**Commissioner of Taxation**

20 June 2001

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# PR 2000/30

ATO references:

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