



# ***PR 2001/86 - Income tax: Deductibility of interest incurred on borrowings under The Macquarie Apollo Trust***

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 This document has changed over time. This is a consolidated version of the ruling which was published on *13 June 2001*



# Product Ruling

## Income tax: Deductibility of interest incurred on borrowings under The Macquarie Apollo Trust

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### Preamble

*The number, subject heading, and the **What this Product Ruling is about** (including **Tax law(s)**, **Class of persons and Qualifications sections**), **Date of effect**, **Withdrawal**, **Previous Rulings**, **Arrangement** and **Ruling** parts of this document are a ‘public ruling’ in terms of Part IVAAA of the **Taxation Administration Act 1953**. Product Ruling PR 1999/95 explains Product Rulings and Taxation Rulings TR 92/1 and TR 97/16 together explain when a Ruling is a public ruling and how it is binding on the Commissioner.*

### No guarantee of commercial success

The Australian Taxation Office (ATO) **does not** sanction or guarantee this product as an investment. Further, we give no assurance that the product is commercially viable, that charges are reasonable, appropriate or represent industry norms, or that projected returns will be achieved or are reasonably based.

Potential investors must form their own view about the commercial and financial viability of the product. This will involve a consideration of important issues such as whether projected returns are realistic, the ‘track record’ of the management, the level of fees in comparison to similar products, how the investment fits an existing portfolio, etc. We recommend a financial (or other) adviser be consulted for such information.

This Product Ruling provides certainty for potential investors by confirming that the tax benefits set out below in the **Ruling** part of this document are available, **provided that** the arrangement is carried out in accordance with the information we have been given, and have described below in the **Arrangement** part of this document.

If the arrangement is not carried out as described below, investors lose the protection of this Product Ruling. Potential investors may wish to seek assurances from the promoter that the arrangement will be carried out as described in this Product Ruling.

Potential investors should be aware that the ATO will be undertaking review activities to confirm the arrangement has been implemented as described below and to ensure that the participants in the arrangement include in their income tax returns income derived in those future years.

### Terms of Use of this Product Ruling

This Product Ruling has been given on the basis that the person(s) who applied for the Ruling, and their associates, will abide by strict terms of use. Any failure to comply with the terms of use may lead to the withdrawal of this Ruling.

Potential investors may wish to refer to the ATO’s Internet site at <http://www.ato.gov.au> or contact the ATO directly to confirm the currency of this Product Ruling or any other Product Ruling that the ATO has issued.

## What this Product Ruling is about

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1. This Ruling sets out the Commissioner's opinion on the way in which the 'tax law(s)' identified below apply to the defined class of persons who take part in the arrangement to which this Ruling relates. In this Ruling the arrangement is the subscription for units in the Macquarie Apollo Trust ('the Trust') and the borrowing of money from Macquarie Bank Limited ('the Bank') to fund that subscription (if such a borrowing is in fact undertaken).

### Tax law(s)

2. The tax law(s) dealt with in this Ruling are:
- section 8-1 of the *Income Tax Assessment Act 1997* ("ITAA 1997");
  - section 97 of the *Income Tax Assessment Act 1936* ("ITAA 1936");
  - section 82KL of the ITAA 1936;
  - section 82KZL of the ITAA 1936;
  - section 82KZM of the ITAA 1936;
  - section 82KZMA of the ITAA 1936;
  - section 82KZMB of the ITAA 1936;
  - section 82KZMC of the ITAA 1936;
  - section 82KZME of the ITAA 1936;
  - section 82KZMF of the ITAA 1936; and
  - Part IVA of the ITAA 1936.

### Business Tax Reform

3. The Government is currently evaluating further changes to the tax system in response to the *Ralph Review of Business Taxation* and continuing business tax reform is expected to be implemented over a number of years. Although this Ruling deals with the laws enacted at the time it was issued, future tax changes may affect the operation of those laws. Where tax laws change, those changes will take precedence over the application of this Ruling and, to that extent, this Ruling will be superseded.

4. Taxpayers who are considering investing in the Trust are advised to confirm with their taxation adviser that changes in the law have not affected this Product Ruling since it was issued.

#### **Note to promoters and advisers**

5. Product Rulings were introduced for the purpose of providing certainty about tax consequences for investors in products such as this. In keeping with that intention, the ATO suggests that promoters and advisers ensure that potential investors are fully informed of any changes in the tax laws that take place after the Ruling is issued. Such action should minimise suggestions that potential investors have been negligently or otherwise misled.

#### **Class of persons**

6. The class of persons to whom this Ruling applies is those persons who are residents of Australia and who subscribe for units in the Trust on or after the date this Ruling is made, whether the subscription is funded by borrowings from the Bank or in other ways. They will have a purpose of staying in the arrangement until it is completed and of deriving assessable income from the arrangement. In this Ruling these persons are referred to as 'Investors'.

7. The class of persons to whom this Ruling applies does not include any person who does not intend to derive assessable income from it.

#### **Qualifications**

8. The Commissioner rules on the precise arrangement identified in the Ruling.

If the arrangement described in the Ruling is materially different from the arrangement that is actually carried out:

- the Ruling has no binding effect on the Commissioner, as the arrangement entered into is not the arrangement ruled upon; and
- the Ruling will be withdrawn or modified.

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Manager, Legislative Services, AusInfo, GPO Box 1920, Canberra  
ACT 2601.

## Date of effect

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10. This Ruling applies prospectively from 13 June 2001, the date this Ruling is made. However, the Ruling does not apply to taxpayers to the extent that it conflicts with the terms of settlement of a dispute agreed to before the date of issue of the Ruling (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).

11. If a taxpayer has a more favourable private ruling (which is legally binding), the taxpayer can rely on the private ruling if the income year to which the private ruling relates has ended, or has commenced but not yet ended. However, if the arrangement covered by the private ruling has not begun to be carried out, and the income year to which it relates has not yet commenced, this Ruling applies to the taxpayer to the extent of the inconsistency only (see Taxation Determination TD 93/34).

## Withdrawal

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12. This Product Ruling is withdrawn and ceases to have effect after 30 June 2003. The Ruling continues to apply, in respect of the tax law(s) ruled upon, to all persons within the specified class who enter into the specified arrangement during the term of the Ruling. Thus, the Ruling continues to apply to those persons, even following its withdrawal, who entered into the specified arrangement prior to withdrawal of the Ruling. This is subject to there being no material difference in the arrangement or in the persons' involvement in the arrangement.

## Arrangement

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13. The arrangement that is the subject of this Ruling is described below. The relevant documents, or parts of documents, incorporated into this description of the arrangement include:

- Application for a Product Ruling dated 19 March 2001 received from PricewaterhouseCoopers on behalf of Macquarie Financial Products Management Limited;
- Letter and attachments from PricewaterhouseCoopers dated 19 March 2001 and further letter and attachments

from PricewaterhouseCoopers dated 30 April 2001, both containing commercial-in-confidence materials;

- Prospectus issued by Macquarie Financial Products Management Limited dated 20 April 2001;
- **Loan and Security Agreement (included in the Prospectus as Part 12);**
- Macquarie Apollo Trust Constitution;
- **Application form for units in the Macquarie Apollo Trust (included as Part 15 of the Prospectus).**

**NOTE: Certain information has been provided on a commercial-in-confidence basis and will not be disclosed or released under Freedom of Information legislation.**

14. The documents highlighted in paragraph 13 are those that Investors may enter into. For the purposes of describing the arrangement to which this Ruling applies, there are no other agreements, whether formal or informal, and whether or not legally enforceable, to which an Investor, or any associate of an Investor, will be a party.

15. The details of the arrangement are summarised as follows:

- (a) Investors will subscribe for units in the Trust. The Trust will issue units on only one occasion, which will be 30 June 2001.
- (b) All units in the Trust will be of the same class and will be issued at \$10,000 each.
- (c) The Trust will not borrow any moneys. After a short-term investment by the Trust of moneys received on the issue of units (in debt securities or interest-bearing deposits), the Trust will use all of those moneys to subscribe on or around 9 July 2001 for the issue of one or more series of Medium Term Notes (“MTNs”).
- (d) Each MTN will be a Linked Note – that is, an interest-bearing debt security. The issuer of each MTN series (“Issuer”) will be a foreign bank (issuing through its Australian branch) or its Australian subsidiary company. The subscription for each MTN will be made by the Trust and received by the Issuer in Australia. In mechanical terms, the Issuer will execute and deliver the issue documentation to the Trust, the Trust will subscribe the Issue Price, and the Issuer will deliver the MTN to the Trust. All of those matters will occur in Australia. The issue price of an MTN will be payable to an account of the Issuer in Australia.

Interest payments and principal repayments will be payable by the Issuer from an account in Australia.

- (e) The Trust will not be listed.
- (f) At the end of each 30 June the unitholders in the Trust will become presently entitled to the excess of the Distributable Income of the Trust for the year ending on that date over amounts thereof already distributed. Distributable Income will be defined as the net income quantified under section 95 of the ITAA 1936. In fact, it is intended that the Responsible Entity will cause the Trust to distribute on each 30 June all of its Distributable Income for the year ending on that date. All units will share equally in that distribution. No other distributions of the Trust's income will be made.
- (g) Units will be able to be redeemed, but only in multiples of 10 units and only on 1 July in any year and only if the request for redemption is made by the unitholder to the Responsible Entity by the preceding 30 April. The redemption payment by the Trust will not include any amount in respect of Distributable Income or net income of the Trust of any year. The redemption payment will be based on the net asset value of the Trust at the redemption time calculated in accordance with Australian accounting principles.
- (h) The Trust will be terminated on or immediately after 30 June 2006 on the payment of the maturity proceeds of the MTNs to unitholders by way of redemption payments on the units in the Trust.
- (i) The Prospectus states that units will be issued only if the Trust would have 300 unitholders and would be widely held. The Constitution empowers the Responsible Entity to refuse to register transfers of units in its absolute discretion.
- (j) Investors may borrow from the Bank to fund their investment in the Trust, or they may fund the investment from other sources.
- (k) There are two credit facilities available to Investors. One is the Capital Protected Loan (fixed interest rate of 11.55% pa, payable in arrears in monthly instalments, or fixed interest rate of 10.75% pa payable annually in advance). The other is the Full Recourse Loan (fixed interest rate of 10.75% pa, payable annually in advance). The Full Recourse Loan allows the Investor to fund a portion of the first year's interest prepayment

on the Capital Protected Loan (if the Investor so wishes).

- (l) Clause 20 of the Loan and Security Agreement provides for limited recourse for the Bank in respect of a Capital Protected Loan. If the redemption of a unit occurs at (and not before) the termination of the Trust, the Bank will be unable to take any action to seek to recover any loan principal which remains outstanding under a Capital Protected Loan after the Investor's units have been redeemed at the scheduled time and the redemption proceeds used to repay principal.
- (m) The term of a Capital Protected Loan will be 5 years, from 30 June 2001 to June 2006. The interest rate will be fixed for the entire term – either 10.75% pa annually in advance or 11.55% monthly in arrears. The Investor will be able to choose each June which of those two bases it wishes to apply in respect of interest for the year beginning in that June. Any interest prepayment will be made on 30 June (or, if that is a non-business day, the immediately preceding business day).
- (n) The Full Recourse Loan will be available only to pay part of the first year's prepaid interest on the Capital Protected Loan. Interest on the Full Recourse Loan must be paid annually in advance by 30 June and the principal must be repaid in three annual installments. Under the Full Recourse Loan there is no limitation on the recourse of the lender.

## **Ruling**

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16. Subject to the assumptions listed in paragraph 17 of this Ruling:

- (a) Subject to (c) below, each interest amount paid (whether annually in advance or monthly in arrears) by an Investor in respect of borrowings on the Capital Protected Loan used to fund the subscription for units in the Trust will be allowable as a deduction to the Investor under section 8-1 of the ITAA 1997 on payment.
- (b) Section 82KZM of the ITAA 1936 will not apply to deny immediate deductibility of interest prepaid by an Investor in respect of borrowings on the Capital Protected Loan used to fund the subscription for units in the Trust, where the Investor is either a small

business taxpayer or does not incur the interest expenditure in carrying on a business.

- (c) In the case of an Investor which is carrying on a business, and which prepays interest in respect of borrowings on the Capital Protected Loan used to fund the subscription for units in the Trust in carrying on that business, and which is not a small business taxpayer for the year of income in which the prepayment is made, sections 82KZMA, 82KZMB and 82KZMC of the ITAA 1936 will apply to determine the amount and timing of deductions for the interest prepaid.
- (d) Section 82KZMF of the ITAA 1936 will not apply to set the amount and timing of deductions for interest prepaid in respect of borrowings on the Capital Protected Loan used to fund the subscription for units in the Trust.
- (e) An interest amount prepaid by an Investor in a year of income in respect of a Full Recourse Loan from the Bank to prepay part of the interest on the Capital Protected Loan will be allowable as a deduction to the Investor under section 8-1 of the ITAA 1997. The deduction will be allowable in the year of prepayment provided that the amount prepaid is less than \$1,000. Further, pursuant to Subdivision H of Division 3 of Part III of the ITAA 1936, even if the amount prepaid in a year equals or exceeds \$1,000, the full prepayment will be allowable as a deduction to an Investor under section 8-1 in that year if
  - that Investor's assessable income from the Trust for that year exceeds the sum of its allowable deductions in respect of the Trust arrangement for that year (including interest on both a Capital Protected Loan and a Full Recourse Loan); and
  - the Investor does not incur the prepayment in carrying on a business or, if the Investor does so incur it, the Investor is a small business taxpayer.

If an interest amount prepaid on a Full Recourse Loan is not deductible in full at the time of the prepayment, it will be deductible over a period worked out under Subdivision H of Division 3 of Part III of the ITAA 1936.

- (f) Section 82KL, a specific anti-avoidance provision of the ITAA 1936, will not apply to deny deductibility of interest payments available under section 8-1 of the ITAA 1997.
- (g) Each Investor's share of the distribution of Distributable Income made on a 30 June will be included by section 97 of the ITAA 1936 in the assessable income of the Investor of the year of income ending on that date.
- (h) The anti-avoidance provisions in Part IVA of the ITAA 1936 will not be applied to deny the deductibility of the interest incurred by the Investor in respect of borrowings under a Capital Protected Loan or a Full Recourse Loan.

## **Assumptions**

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17 This ruling is made on the basis of the following necessary assumptions:

- (a) Each Investor is an Australian resident.
- (b) An Investor entering into the arrangement expects to derive assessable income from its investment in the Trust.
- (c) For each Investor which is an individual (or a partnership which includes individuals), the investment in the Trust and any related borrowings do not constitute a business activity, but rather a passive investment.
- (d) The arrangement will be executed in the manner described in the "Arrangement" section of this Ruling.
- (e) All dealings by the Investors and the Trust will be at arm's length.
- (f) At all times during the arrangement the Trust will have at least 300 unitholders and will not be closely held (in terms of section 272-105 of Schedule 2F to the ITAA 1936).
- (g) All contracts for the issue of MTNs will be entered into in Australia.
- (h) The net income of the Trust for each year for purposes of section 95 of the ITAA 1936 will be equal to the

income (for trust law purposes) of the Trust for that year.

- (i) No unitholder in the Trust will be under a legal disability at any time.
- (j) The lender incurs no cost to provide the capital protection inherent in the Capital Protected Loan.
- (k) The capital protection feature of the Capital Protected Loan is provided at no cost to the borrower.

## **Explanations**

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### **Section 8-1**

18. Interest on money borrowed to acquire income producing assets, such as shares or units in a unit trust, is generally treated as deductible under section 8-1 where it is expected that dividends or other assessable income will be derived from the investment (see Taxation Ruling TR 95/33).

19. Interest on the money borrowed under the Capital Protected Loan is incurred in relation to deriving assessable income from an investment in the Trust. The Capital Protected Loan is a limited recourse facility, which means that the Bank depends on the value of the units on termination of the Trust for the repayment of the loan principal. The Trust's assets will comprise debt securities issued by a bank or banks rated A minus or better. On termination of the Trust, unitholders are entitled to receive a share of the net proceeds of realisation of the Trust's property into cash. Under the terms of the Loan and Security Agreement the Borrower authorises the Bank to apply the amount received by the Borrower from the Trust upon its termination to repay the Capital Protected Loan. This limits the Bank's ability to recover from the Investor. The difference between this product and other capital protected type products is that this product provides the protection at no cost to the borrower. Accordingly, in this particular case, the interest in respect of borrowings on the Capital Protected Loan used to fund the subscription for units in the Trust is deductible under section 8-1 of the ITAA 1997.

20. Interest on money borrowed under a Full Recourse Loan is incurred in relation to deriving assessable income from an investment in the Trust. It secures a saving of interest on a Capital Protected Loan (by virtue of the discount on the rate for prepayment). As such, interest on a Full Recourse Loan is deductible under section 8-1 of the ITAA 1997 as incurred subject to any application of section 82KZMF of the ITAA 1936.

**Section 82KL**

21. The operation of section 82KL depends, among other things, on the identification of a certain quantum of 'additional benefits(s)'. Insufficient 'additional benefits' will be provided to trigger the application of section 82KL. It will not apply to deny the deductions otherwise allowable under section 8-1.

**Subdivision H of Division 3 of Part III of the ITAA 1936**

22. This subdivision deals with the timing of deductions for certain prepaid expenditure. Separate rules apply depending on whether the expenditure is incurred in carrying on a business, whether the Investor is a 'small business taxpayer', and whether the expenditure qualifies for transitional treatment.

**Subdivision 960-Q of the ITAA 1997 – Small business taxpayers**

23. A 'small business taxpayer' is defined in sections 960-335 and 960-350. In broad terms, a small business taxpayer is a taxpayer that has an average turnover of less than \$1,000,000 from business activities.

24. Whether an Investor is a 'small business taxpayer' depends upon the individual circumstances of each Investor and is beyond the scope of this Ruling. It is the individual responsibility of each Investor to determine whether or not they are within the definition of 'small business taxpayer'.

**The eligible service period for the purposes of Subdivision H of Division 3 of Part III of the ITAA 1936**

25. Each interest prepayment on a Capital Protected Loan or a Full Recourse Loan allowable under section 8-1 is in relation to a prepayment of loan interest for a period less than 13 months. Paragraph 82KZL(2)(a) states that a payment of interest that is made in return for the making available of a loan principal is to be taken, for the purposes of Subdivision H, to be expenditure incurred under an agreement in return for the doing of a thing under the agreement for the period to which the interest payment relates. The eligible service period in relation to a payment of loan interest is determined by reference to the period to which the interest relates, which is one year, and not to the period of the loan (which is five years for a Capital Protected Loan or three years for a Full Recourse Loan).

## **Section 82KZM of the ITAA 1936: prepaid expenditure incurred by small business taxpayers and non-business expenditure**

26. Section 82KZM operates to spread over more than one income year a deduction for prepaid expenditure incurred by a small business taxpayer or for prepaid expenditure not incurred in carrying on a business that would otherwise be immediately deductible, in full, under section 8-1. The section applies if certain expenditure incurred under an agreement is in return for the doing of a thing under the agreement that is not wholly to be done within 13 months after the day on which the expenditure is incurred.

27. As the eligible service period in relation to a deductible interest prepayment under a Capital Protected Loan or a Full Recourse Loan is less than 13 months, section 82KZM will have no application to small business taxpayers nor to Investors who are not carrying on a business.

## **Sections 82KZME and 82KZMF of the ITAA 1936: prepaid expenditure and 'tax shelter' type arrangements**

28. These sections limit the deductibility of prepayments incurred in respect of services to be completed within 13 months under certain managed agreements. These sections may affect taxpayers that prepay interest for up to 13 months. Unless one of the statutory exceptions applies, where the requirements of section 82KZME are met, the amount and timing of the deduction is set out in section 82KZMF. The sections provide that deductions otherwise allowable under section 8-1 of the ITAA 1997 are to be spread over the period to which the prepayment relates.

29. Sub-section 82KZME(3) sets out the requirements for agreements to be subject to these provisions:

- (a) the taxpayer's allowable deductions for the expenditure year that are attributable to the agreement must exceed the taxpayer's assessable income (if any) for the expenditure year that is attributable to the agreement; and
- (b) the taxpayer does not have day to day control over the operation of the agreement (whether or not the taxpayer has the right to be consulted or give directions); and
- (c) at least one of these must be satisfied:
  - (i) there is more than one participant in the agreement in the same capacity as the taxpayer;

- (ii) the person who manages, arranges or promotes the agreement, or an associate of that person, manages, arranges or promotes similar agreements for other taxpayers.

30. The Capital Protected Loan is within the description of these provisions, in respect of any year in which the allowable deductions incurred in respect of the loan exceed the Investor's assessable income in respect of the Trust. In particular, in respect of paragraph 82KZME(3)(b), investors in the Trust do not have day to day control over the operation of the product, other than to give instructions regarding redemption or requests regarding sale.

31. However, the arrangement also satisfies Exception 1 to the provisions, relating to certain negatively geared investments. The exception criteria are set out under sub-section 82KZME(5). Consequently these prepayment rules will not have application to the prepaid interest under the Capital Protected Loan for the following reasons:

- (i) The prepaid interest expenditure under the Capital Protected Loan is on money borrowed to acquire units in a widely held trust as defined;
- (ii) The Investor can reasonably be expected to obtain trust income from the investment;
- (iii) The Investor will not obtain any other kind of assessable income from the investment; and
- (iv) All aspects of the Capital Protected Loan, the investment in the Trust, and the Trust's activities will be conducted at arm's length.

32. A borrower under a Full Recourse Loan will prepay interest under it annually. That interest will not be incurred on money borrowed to acquire units in the Trust, and so will not qualify for exclusion from the operation of sections 82KZME and 82KZMF in the way in which interest prepaid under the Capital Protected Loan will qualify for exclusion.

33. However, other provisions could take prepaid interest on a Full Recourse Loan outside the operation of sections 82KZME and 82KZMF. The interest would fall outside those sections if it is 'excluded expenditure' (less than \$1,000 per annum) as defined in section 82KZL. Also, the interest would fall outside those sections if an Investor's assessable income of a year in respect of the Trust arrangement exceeded its allowable deductions (including the interest on both loans) for the year in respect of the arrangement.

**Sections 82KZMA-82KZMC of the ITAA 1936: prepaid business expenditure incurred by non-small business taxpayers**

34. These sections limit the deductibility of prepayments incurred in respect of services to be completed after the end of the year of income in which the prepayment is made. However, these sections apply only where the taxpayer which makes the prepayment is carrying on a business, is not a small business taxpayer for the year, and incurs the expenditure in carrying on the business. 'Excluded expenditure', being expenditure of less than \$1,000, is an exception to the operation of these provisions.

35. Where the sections apply, the deduction is spread over the period to which the prepayment relates, subject to transitional provisions which are capable, subject to the circumstances of any particular taxpayer, of accelerating those deductions compared to a strict time-based spread.

36. Section 82KZMB will operate in respect of any interest prepayment on a Capital Protected Loan by a taxpayer if the taxpayer is carrying on a business, incurs the expenditure in carrying on that business, and is not a small business taxpayer. Section 82KZMB will also operate in the case of any prepayment by such a taxpayer under a Full Recourse Loan if the prepayment is \$1,000 or more, but not if sections 82KZME and 82KZMF have already operated to spread the deductibility of the prepayment.

**Proposed changes to prepayment rules**

37. The amendments contained in the *New Business Tax System (Simplified Tax System) Bill 2000* introduce a new 12 month prepayment rule. Under this rule, an advance payment made by a STS taxpayer (that is, a small business taxpayer that has entered the Simplified Tax System) or an individual incurring non-business expenditure will be immediately deductible where:

- it is incurred in respect of a period of service not exceeding 12 months; and
- the period of service ends no later than the last day of the income year following the date on which the payment is made.

Small business taxpayers not entering the Simplified Tax System and non individual taxpayers who are incurring deductible non business expenditure will have to apportion their deductions for incurred deductible prepayments over the service period.

These changes will apply to assessments for the first year of income starting after 30 June 2001 and later years of income.

38. The information given in paragraph 37 is not binding on the Commissioner. Legally binding advice in respect of those changes cannot be given until the relevant laws are enacted.

39. If the changes become law, the operation of that law will take precedence over the application of this Ruling and, to that extent, this Ruling will become superseded. If requested, when the relevant law(s) are enacted, the Commissioner will formalise the non-binding information shown in this Ruling by issuing a new Product Ruling that describes the operation of those laws.

### **Section 97**

40. Amounts of Distributable Income distributed to an Investor during a year of income, plus any further amounts to which it becomes presently entitled at the end of 30 June, are included in the assessable income of the Investor for the year ending on that 30 June under section 97 ITAA 1936.

### **Part IVA**

41. Provided that the arrangement is entered into and carried out as described (see the Arrangement section of this ruling), it is accepted that the arrangement is a normal commercial transaction and that Part IVA will not apply.

## **Detailed contents list**

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42. Below is a detailed contents list for this Product Ruling:

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**Commissioner of Taxation**

13 June 2001

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<i>Previous draft:</i>	- ITAA 1997 960-335
Not previously issued in draft form	- ITAA 1997 960-350
	- ITAA 1936 82KL
	- ITAA 1936 82KZL
<i>Related Rulings/Determinations</i>	- ITAA 1936 82KZL(2)(a)
TR 95/33	- ITAA 1936 82KZM
	- ITAA 1936 82KZMA
<i>Subject references:</i>	- ITAA 1936 82KZMB
- interest income	- ITAA 1936 82KZMC
- interest expense	- ITAA 1936 82KZME
- financial products	- ITAA 1936 82KZME(3)
- prepaid expenses	- ITAA 1936 82KZME(3)(b)
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- taxation administration	- ITAA 1936 95
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	- ITAA 1936 Part IVA
<i>Legislative references:</i>	
- ITAA 1997 8-1	

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