


***TD 2004/4A1 - Addendum - Income tax: Is a dividend paid before 1 July 1987 an unfranked dividend for the purpose of section 705-50 of the Income Tax Assessment Act 1997 ?***

 This cover sheet is provided for information only. It does not form part of *TD 2004/4A1 - Addendum - Income tax: Is a dividend paid before 1 July 1987 an unfranked dividend for the purpose of section 705-50 of the Income Tax Assessment Act 1997 ?*

 View the [consolidated version](#) for this notice.



---

## Addendum

---

### Taxation Determination

Income tax: Is a dividend paid before 1 July 1987 an unfranked dividend for the purpose of section 705-50 of the *Income Tax Assessment Act 1997*?

This Addendum amends Taxation Determination TD 2004/4 to reflect the effect of the amendment to section 705-50 of the *Income Tax Assessment Act 1997* (ITAA 1997) and the subsequent repeal of that section by Schedule 5 to the *Tax Laws Amendment (2010 Measures No. 1) Act 2010*.

**TD 2004/4 is amended as follows:**

**1. Title**

Omit 'Is'; substitute 'is'.

**2. After paragraph 9**

Insert:

10. *Tax Laws Amendment (2010 Measures No. 1) Act 2010* has amended paragraph 705-50(2)(b) of the ITAA 1997 so that where an entity becomes a subsidiary member of a consolidated group or a Multiple Entity Consolidated (MEC) group during the period from 9 May 2007 to 30 June 2009, the joining entity will only be required to look at dividends paid during the period of 5 years ending at the joining time in determining whether an over-depreciation adjustment is required under section 705-50 of the ITAA 1997. This means dividends paid before 1 July 1987 will no longer need to be considered in making this determination. In addition, section 705-50 of the ITAA 1997 is repealed effective from 1 July 2009.

11. Consequently, this Determination will not have application to an entity that joins a consolidated group or a MEC group on or after 9 May 2007.

**3. Legislative References**

Insert:

*Tax Laws Amendment (2010 Measures No. 1) Act 2010*

# TD 2004/4

---

This Addendum applies on and from 9 May 2007.

---

## Commissioner of Taxation

23 March 2011

---

### ATO references

NO: 1-2EJ76VS

ISSN: 1038-8982

ATOlaw topic: Income Tax ~~ Consolidation ~~ assets

Income Tax ~~ Consolidation ~~ tax cost setting amount

Income Tax ~~ Entity specific matters ~~ franking of dividends - company matters