TD 2004/86W - Income tax: if a shareholder borrows from a private company under a clause in the company's constitution setting out the terms on which such loans are to be made, is there a 'written agreement' for the purposes of paragraph 109N(1)(a) of Division 7A of the Income Tax Assessment Act 1936?

⚠️ This cover sheet is provided for information only. It does not form part of *TD 2004/86W - Income tax: if a shareholder borrows from a private company under a clause in the company's constitution setting out the terms on which such loans are to be made, is there a 'written agreement' for the purposes of paragraph 109N(1)(a) of Division 7A of the Income Tax Assessment Act 1936?*

⚠️ This document has changed over time. This is a consolidated version of the ruling which was published on *14 November 2007*

Notice of Withdrawal

Taxation Determination

Income tax: if a shareholder borrows from a private company under a clause in the company's constitution setting out the terms on which such loans are to be made, is there a 'written agreement' for the purposes of paragraph 109N(1)(a) of Division 7A of the *Income Tax Assessment Act 1936*?

Taxation Determination TD 2004/86 is withdrawn with effect from today.

1.   Taxation Determination TD 2004/86 explained that if a shareholder borrows from a private company under a clause in the company's constitution setting out the terms on which such loans are to be made, there is a 'written agreement' for the purposes of paragraph 109N(1)(a) of Division 7A of the *Income Tax Assessment Act 1936*.

2.   The arrangements dealt with in TD 2004/86 are now covered by draft Taxation Determination TD 2007/D19, which issued today as part of the Division 7A law clarification program. There has been no change in our view.

Commissioner of Taxation
14 November 2007