


***TD 2007/27A1 - Addendum - Income tax:  
consolidation: is the cost base of the goodwill  
referred to in subsection 711-25(2) of the Income Tax  
Assessment Act 1997 limited to the cost base of  
goodwill previously identified under subsection  
705-35(3) of that Act?***

 This cover sheet is provided for information only. It does not form part of *TD 2007/27A1 - Addendum - Income tax: consolidation: is the cost base of the goodwill referred to in subsection 711-25(2) of the Income Tax Assessment Act 1997 limited to the cost base of goodwill previously identified under subsection 705-35(3) of that Act?*

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



---

## Addendum

---

### Taxation Determination

Income tax: consolidation: is the cost base of the goodwill referred to in subsection 711-25(2) of the *Income Tax Assessment Act 1997* limited to the cost base of goodwill previously identified under subsection 705-35(3) of that Act?

This Addendum amends Taxation Determination TD 2007/27 to reflect the amendments introduced by Schedule 5 of the *Tax Laws Amendment (2010 Measures No. 1) Act 2010*.

**TD 2007/27 is amended as follows:**

**1. Paragraph 16**

Omit the third sentence; substitute:

The first step in working out the tax cost setting amount for membership interests under subsection 711-25(1) (the step 1 amount) is to add up the terminating values of the leaving entity's assets.

**2. Legislative references**

Omit:

- ITAA 1997 Part 3-1
- ITAA 1997 Part 3-90

Substitute:

- ITAA 1997 Pt 3-1
- ITAA 1997 Pt 3-90

This Addendum applies on and after 10 February 2010, the date of application of the amendments to the *Income Tax Assessment Act 1997* made by Division 1 of Part 7 of Schedule 5 to the *Tax Laws Amendment (2010 Measures No. 1) Act 2010*.

# TD 2007/27

---

Page 2 of 2

---

**Commissioner of Taxation**

16 March 2011

---

ATO references

NO: 1-2BND6HC  
ISSN: 1038-8982  
ATOlaw topic: Consolidation assets