


TD 2017/22A1 - Addendum - Income tax: where an Australian corporate tax entity is a beneficiary of a trust, can the trust 'hold' a direct control interest (within the meaning of section 350 of the Income Tax Assessment Act 1936) in a foreign company for the purpose of Subdivision 768-A of the Income Tax Assessment Act 1997 ?

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Addendum

Taxation Determination

Income tax: where an Australian corporate tax entity is a beneficiary of a trust, can the trust ‘hold’ a direct control interest (within the meaning of section 350 of the *Income Tax Assessment Act 1936*) in a foreign company for the purpose of Subdivision 768-A of the *Income Tax Assessment Act 1997*?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 2017/22 to clarify its date of effect.

TD 2017/22 is amended as follows:

1. Paragraph 47

Omit the second sentence; substitute ‘However, to the extent that this Determination provides a less favourable outcome than the view outlined in Taxation Determination TD 2016/D7 *Income tax: where an Australian corporate tax entity is a beneficiary of a trust, can the trust be taken to ‘hold’ a direct control interest (within the meaning of section 350 of the Income Tax Assessment Act 1936) in a foreign company for the purpose of Subdivision 768-A of the Income Tax Assessment Act 1997?*, taxpayers will be entitled to rely on the view in TD 2016/D7 for foreign equity distributions made up until the date of issue of this Determination.’.

This Addendum applies on and from 18 October 2017.

Commissioner of Taxation
1 November 2017

ATO references

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Distributions on foreign investments – Subdivision 768-A

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