



TD 92/107 - Income tax: foreign income: are income or profits which are assessable in a listed country considered to be subject to tax in the listed country within the meaning of section 324 if, after the recoupment of prior year losses and other deductions, it is determined by the country that no tax is payable?

 This cover sheet is provided for information only. It does not form part of *TD 92/107 - Income tax: foreign income: are income or profits which are assessable in a listed country considered to be subject to tax in the listed country within the meaning of section 324 if, after the recoupment of prior year losses and other deductions, it is determined by the country that no tax is payable?*

 This document has changed over time. This is a consolidated version of the ruling which was published on 1 July 1992

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part IVAAA of the *Taxation Administration Act 1953*, is a public ruling for the purposes of that Part. Taxation Ruling TR 92/1 explains when a Determination is a public ruling and how it is binding on the Commissioner. Unless otherwise stated, the Determination applies to transactions entered into both before and after its date of issue.

Taxation Determination

Income tax: foreign income: are income or profits which are assessable in a listed country considered to be subject to tax in the listed country within the meaning of section 324 if, after the recoupment of prior year losses and other deductions, it is determined by the country that no tax is payable?

1. Subsection 324(1) of the *Income Tax Assessment Act 1936* provides that 'a particular item of income or profits derived by an entity is taken to be subject to tax in a listed country ... if ... foreign tax (other than a withholding-type tax) is payable under a tax law of the listed country in respect of the item because the item is included in the tax base of that law'.

2. We accept that a particular item of income or profits is subject to tax in a listed country within the meaning of section 324 if:

- (i) deductions from the income or profits that are allowable under the tax law of that country have the effect that no tax is required to be paid; and
- (ii) if not for those deductions, tax would have been paid in that country on the income or profits.

Commissioner of Taxation

1/7/92

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