



***TD 92/196 - Income tax: if an Australian resident taxpayer provides a tax file number (TFN) or proof of exemption to an investment body after tax has been deducted by that body, when can a refund of the TFN amount deducted be given by the Australian Taxation Office (ATO)?***

 This cover sheet is provided for information only. It does not form part of *TD 92/196 - Income tax: if an Australian resident taxpayer provides a tax file number (TFN) or proof of exemption to an investment body after tax has been deducted by that body, when can a refund of the TFN amount deducted be given by the Australian Taxation Office (ATO)?*

 This document has changed over time. This is a consolidated version of the ruling which was published on 3 December 1992

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part 4VAAA 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.

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## Taxation Determination

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**Income tax: if an Australian resident taxpayer provides a tax file number (TFN) or proof of exemption to an investment body after tax has been deducted by that body, when can a refund of the TFN amount deducted be given by the Australian Taxation Office (ATO)?**

1. If the taxpayer is exempt from providing a TFN to an investment body (eg exemptions under the Income Tax Assessment Act 1936 are allowed for certain pensioners and organisations not required to lodge tax returns), a refund may be given on written request to the ATO (see section 221YHZDB).
2. A taxpayer who is not exempt from providing a TFN to an investment body will be given a credit for the TFN amount as part of the assessment raised for the income year in which the TFN amount was deducted. The taxpayer should include details in his/her return of the TFN amount deducted to ensure that the credit is allowed for that amount (see section 221YHZL).
3. Where a trustee holds an investment in the capacity of trustee for a trust estate, the credit for a trust investment will be allowed to the taxpayer who is liable to pay tax on the income.

If the trustee is assessed on the income, the trustee will receive the credit for the TFN amount deducted. If the beneficiary is assessed the beneficiary will receive the credit (see section 221YHZK and section 221YHZL).

4. The 1992 Tax Pack incorrectly explains a method of claiming credit for the TFN amount deducted. For example, see pages 14 and 40.

Page 86 of Tax Pack includes the credit under the heading of 'rebates'. Despite this error, taxpayers will be issued with a correct assessment provided full details of income, deductions, rebates and credits are included in the return lodged.

*Examples:*

1. *An aged pensioner failed to provide a TFN, or proof of exemption from the TFN amount, to a bank which deducted the TFN amount from interest paid. The pensioner is entitled to a refund of the TFN amount deducted on written request to the ATO.*
  
2. *A salary and wage earner who is not exempt from providing a TFN failed to advise his/her bank which deducted the TFN amount from interest paid. An assessment is raised after lodgment of the tax return for the income year in which the TFN amount was deducted. The taxpayer includes in the return details of TFN amount deducted and is given a credit for that amount.*

**Commissioner of Taxation**

03/12/92

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Related Determinations:

Related Rulings:

Subject Ref: TFN amount deducted; refund and credits

Legislative Ref: ITAA Division 5 of Part VA; ITAA 221YHZDB; ITAA 221YHZK; ITAA 221YHZL

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