


TD 94/63 - Income tax: capital gains: if a statutory licensee disposes of a statutory licence by way of the expiry, loss or destruction of the licence, does subsection 160ZD(2) of the Income Tax Assessment Act 1936 deem the licensee to have received the market value of the licence?

 This cover sheet is provided for information only. It does not form part of *TD 94/63 - Income tax: capital gains: if a statutory licensee disposes of a statutory licence by way of the expiry, loss or destruction of the licence, does subsection 160ZD(2) of the Income Tax Assessment Act 1936 deem the licensee to have received the market value of the licence?*

 This ruling contains references to repealed provisions, some of which may have been rewritten. The ruling still has effect. Paragraph 32 in [TR 2006/10](#) provides further guidance on the status and binding effect of public rulings where the law has been repealed or repealed and rewritten. The legislative references at the end of the ruling indicate the repealed provisions and, where applicable, the rewritten provisions.

 This document has changed over time. This is a consolidated version of the ruling which was published on *29 November 2006*

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, this Determination applies to years commencing both before and after its date of issue. However, this Determination does not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of the Determination (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).

Taxation Determination

Income tax: capital gains: if a statutory licensee disposes of a statutory licence by way of the expiry, loss or destruction of the licence, does subsection 160ZD(2) of the *Income Tax Assessment Act 1936* deem the licensee to have received the market value of the licence?

1. No. By virtue of paragraph 160ZD(2B)(a), subsection 160ZD(2) does not apply if a statutory licence is disposed of by way of the expiry, loss or destruction of the licence. The statutory licensee is therefore not deemed to have received the market value of the licence.
2. The specific mention of a 'statutory licence' in paragraph 160ZD(2B)(b) does not preclude such a licence from being an 'asset' for the purposes of paragraph 160ZD(2B)(a).

Commissioner of Taxation

21/7/94

FOI INDEX DETAIL: Reference No. I 1217657

Previously issued as Draft TD 94/D63

Subject Ref: asset; destruction; disposal; cancellation; expiry; loss; market value; statutory licence

Legislative Ref: ITAA 160ZD(2); ITAA 160ZD(2B); ITAA 160ZD(2B)(a); ITAA 160ZD(2B)(b)

ATO Ref: CGTDET101

ISSN 1038 - 8982