



TD 96/33W - Income tax: what is the standard indexation rate determined by the Commissioner that applies to a financial year for the purposes of calculating the Reasonable Benefits Limits (RBLs) stated in Subdivision A of Division 14 of Part III of the Income Tax Assessment Act 1936 ?

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 This document has changed over time. This is a consolidated version of the ruling which was published on *6 March 2019*



Notice of Withdrawal

Taxation Determination

Income tax: what is the standard indexation rate determined by the Commissioner that applies to a financial year for the purposes of calculating the Reasonable Benefits Limits (RBLs) stated in Subdivision A of Division 14 of Part III of the *Income Tax Assessment Act 1936*?

Taxation Determination TD 96/33 is withdrawn with effect from today.

1. TD 96/33 states that for the purposes of valuing a pension for RBLs, the pension valuation factors (PVFs) contained in Schedule 1B of the *Superannuation Industry (Supervision) Regulations 1994* are used. The PVF acts as a multiple for converting the annual amount of pension at commencement into a lump sum for the purpose of comparing it to the pension RBL.
2. Former Division 14 of the *Income Tax Assessment Act 1936* (ITAA 1936) provided for a system of RBLs applicable to certain eligible termination payments (ETPs), superannuation pensions and annuities as well as, *inter alia*, the Commissioner's power to determine the extent to which the ETP, pension or annuity exceeded the recipient's RBLs.
3. Division 14 of the ITAA 1936 was repealed by the *Superannuation Legislation Amendment (Simplification) Act 2007*, which came into effect on 1 July 2007. RBLs are no longer used to calculate taxation of superannuation amounts and no indexed RBLs have been provided since the 2006–07 income year.
4. TD 96/33 has no application for the 2007–08 income year and later years, and is therefore withdrawn.

Commissioner of Taxation

6 March 2019

ATO references

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