


# ***TR 2001/2A2 - Partial Withdrawal / Addendum - Fringe benefits tax: the operation of the new fringe benefits tax gross-up formula to apply from 1 April 2000***

 This cover sheet is provided for information only. It does not form part of *TR 2001/2A2 - Partial Withdrawal / Addendum - Fringe benefits tax: the operation of the new fringe benefits tax gross-up formula to apply from 1 April 2000*

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## Notice of Partial Withdrawal

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### **Taxation Ruling**

Fringe benefits tax: the operation of the new fringe benefits tax gross-up formula to apply from 1 April 2000

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**Delete paragraphs 128 to 130**

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**Commissioner of Taxation**

12 September 2001

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ATO references:

NO T2001/14151

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## Addendum

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### **Taxation Ruling**

Fringe benefits tax: the operation of the new fringe benefits tax gross-up formula to apply from 1 April 2000

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**At footnote 12, delete:**

89

**and replace with:**

98

**At footnote 13, delete:**

92

**and replace with:**

102

**At paragraph 25 delete:**

a contribution

**and replace with:**

consideration

**At footnote 18 delete:**

97

**and replace with:**

112

**At paragraph 72, delete:**

69

**and replace with:**

70

**At paragraph 101, second sentence, delete:**

taxable

**At paragraph 102 delete:**

89-91

**and replace with:**

98-101

**At paragraph 105 delete:**

2001/2

**and replace with:**

2001/3

**At page 27 heading ‘Which gross-up rate do you use for a car bought before 1 July 2001?’ delete:**

*1 July 2001*

**and replace with:**

*23 May 2001*

**At paragraph 118 delete:**

1 July 2001

**and replace with:**

23 May 2001

**At paragraph 119 delete:**

*1 June 2001*

**and replace with:**

*2 April 2001*

**At page 28 heading ‘Which gross-up rate do you use for a car bought before 1 July 2001 but its running and maintenance costs after that date had input tax credit entitlements?’ delete:**

*1 July 2001*

**and replace with:**

23 May 2001

**At paragraph 122 delete:**

1 July 2001

**and replace with:**

23 May 2001

**At paragraph 123 delete:**

1 July 2001

**and replace with:**

23 May 2001

**Delete paragraph 124 and replace with:**

124. *Castor Ltd is a company registered for GST that purchased a car on 1 May 2001. The company provides the car to its company secretary in the FBT year ended 31 March 2002. When Castor Ltd calculates its FBT liability in respect of the car fringe benefits for the 2002 FBT year it will use the lower gross-up rate of 1.9417 as it is not entitled to an input tax credit for the GST it paid on the car's purchase. If Castor Ltd is entitled to input tax credits for the car's running and maintenance costs it incurred after 1 July 2000 it would still use the lower gross-up rate to calculate the fringe benefits taxable amount for the car fringe benefits.*

**At page 29 heading 'Which gross-up rate do you use for a car bought before 1 July 2001 but the non-business fitted accessories were purchased after 1 July 2000?' delete:**

1 July 2001

**and replace with:**

23 May 2001

**At paragraph 125 delete:**

1 July 2001

**and replace with:**

23 May 2001

**At paragraph 126 delete:**

1 July 2001

**and replace with:**

23 May 2001

**Delete paragraph 127 and replace with:**

127. *Diantha Ltd is a company registered for GST that purchased a car on 3 April 2001 for \$33,000 including GST. The company provides the car to its company accountant in the FBT year ended 31 March 2002. When Diantha Ltd calculates its FBT liability in respect of the car fringe benefits for the 2002 FBT year it will use the lower gross-up rate of 1.9417 as it is not entitled to an input tax credit for the \$3,000 GST it paid on the car's purchase. If Diantha Ltd subsequently fitted non-business accessories it would still use the lower gross-up rate to calculate the fringe benefits taxable amount for the car fringe benefit.*

**At page 30 heading 'Which gross-up rate do you use for a car bought from 1 July 2002 onwards?' delete:**

1 July 2002

**and replace with:**

23 May 2001

**At paragraph 132, first sentence, delete:**

1 July 2002

**and replace with:**

23 May 2001

**At paragraph 132, last sentence, delete:**

1 July 2002

**and replace with:**

23 May 2001

**At paragraph 133, first sentence, delete:**

*1 April 2003*

**and replace with:**

*22 June 2001*

**At paragraph 133, last sentence, delete:**

*2004*

**and replace with:**

*2002*

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**Commissioner of Taxation**

12 September 2001

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ATO references:

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