


TR 2009/2A1 - Addendum - Income tax: genuine redundancy payments

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Addendum

Taxation Ruling

Income tax: genuine redundancy payments

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Ruling TR 2009/2 to correct a misquote of the legislative provision.

TR 2009/2 is amended as follows:

1. Paragraph 281

Omit the paragraph; substitute:

Further conditions for a genuine redundancy payment

281. Before a payment that meets the basic redundancy requirement in subsection 83-175(1) qualifies as a genuine redundancy payment, all other conditions in section 83-175 must be met. These conditions are:

- the dismissal must be made before the person turns 65 or an earlier mandatory age of retirement - paragraph 83-175(2)(a);
- the payment must be made before the end of a fixed period of employment - subparagraph 83-175(2)(a)(ii);
- the payment must not exceed an arm's length amount in the event that the employer and employee are not dealing at arm's length - paragraph 83-175(2)(b);
- there must be no stipulated arrangement to employ the person after the termination - paragraph 83-175(2)(c); and
- the payment must not be in lieu of superannuation benefits - subsection 83-175(3).

This Addendum applies on and from 30 October 2013.

TR 2009/2

Commissioner of Taxation

30 October 2013

ATO references

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