TR 2010/3W - Income tax: Division 7A loans: trust entitlements

This cover sheet is provided for information only. It does not form part of *TR 2010/3W - Income tax: Division 7A loans: trust entitlements*

This ruling is being reviewed as a result of a recent court/tribunal decision. Refer to Decision Impact Statement: Bendel and Commissioner of Taxation (Published 15 November 2023).

There is a Compendium for this document: **TR 2010/3EC** .

This document has changed over time. This is a consolidated version of the ruling which was published on *30 June 2022*

Generated on: 25 November 2026, 04:55:44 AM

Notice of Withdrawal

Taxation Ruling

Income tax: Division 7A loans: trust entitlements

TR 2010/3 is withdrawn with effect from 1 July 2022.

1. TR 2010/3 expresses the Commissioner's opinion on the circumstances in which a private company with a present entitlement to an amount from an associated trust estate makes a loan to that trust within the meaning of subsection 109D(3) of Division 7A of Part III of the *Income Tax Assessment Act 1936*, in circumstances where funds representing that present entitlement remain intermingled with funds of the trust.

2. TD 2022/D1 *Income tax: Division 7A: when will an unpaid present entitlement or amount held on sub-trust become the provision of 'financial accommodation'?* was published on 23 February 2022. When finalised, this Determination will contain the ATO view (and compliance approach) on this issue that will apply to trust entitlements created on or after 1 July 2022.

3. An entity may continue to rely on this Taxation Ruling in respect of trust entitlements conferred on or before 30 June 2022. That is, the Commissioner will not devote compliance resources to arrangements conducted in accordance with TR 2010/3 in respect of trust entitlements arising on or before 30 June 2022.

Commissioner of Taxation
30 June 2022

ATO references
NO: 1-TPIP9GQ
ISSN: 2205-6122

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