


***TR 95/25A2 - Addendum No. 2 - Income tax:
deductions for interest under subsection 51(1) of the
Income Tax Assessment Act 1936 following FC of T
v. Roberts; FC of T v. Smith***

 This cover sheet is provided for information only. It does not form part of *TR 95/25A2 - Addendum No. 2 - Income tax: deductions for interest under subsection 51(1) of the Income Tax Assessment Act 1936 following FC of T v. Roberts; FC of T v. Smith*

 View the [consolidated version](#) for this notice.



Addendum No. 2

Income tax: deductions for interest under subsection 51(1) of the *Income Tax Assessment Act 1936* following *FC of T v. Roberts*; *FC of T v. Smith*

This Addendum amends Taxation Ruling TR 95/25 as follows:

1. Omit paragraph 33A; substitute:

33A. In *Hayden* the Federal Court considered whether interest incurred by an Executor on borrowings that were used to discharge an obligation of the deceased estate was deductible under subsection 51(1). The fact that the borrowing of funds permitted income producing assets to remain as part of the estate so that the income stream to the estate was not diminished, did not bring the interest of the borrowings within a loss or outgoing under subsection 51(1).

Commissioner of Taxation

23 June 1999

ATO Ref: 99/4295-5
95/4339-2

ISSN 1039 - 0731