


# ***TR 1998/9A1 - Addendum - Income tax: deductibility of self-education expenses***

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# Addendum

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## Taxation Ruling 98/9

### Income tax: deductibility of self-education expenses

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Ruling TR 98/9 to adjust the title and remove paragraphs addressing the treatment of Commonwealth education assistance schemes in light of the High Court decision in *Commissioner of Taxation v Anstis* (2010) 241 CLR 443; (2010) 76 ATR 735; 2010 ATC 20-221.

#### TR 98/9 is amended as follows:

##### 1. Title

After 'self-education expenses', insert: ' incurred by an employee or a person in business'

##### 2. Paragraph 3

Omit paragraph; substitute:

##### 3. This Ruling does not address:

- the deductibility of self-education expenses incurred by the recipient of an assessable allowance where entitlement to the allowance is conditional on the recipient undertaking a course of education, as in *Commissioner of Taxation v Anstis* (2010) 241 CLR 443; (2010) 76 ATR 735; 2010 ATC 20-221;
- the deductibility of expenses associated with travel between a taxpayer's home, an educational institution and a place of work. Taxation Ruling TR 92/8 (paragraph 11(d), paragraph 13(c), paragraph 43 and paragraph 44) addresses the relevant principles in terms of the deductibility of motor vehicle expenses. These paragraphs have been reproduced in the **Note** at the end of this Ruling (see paragraph 160 of this Ruling);
- the substantiation requirements in Division 28 and Division 900 of the ITAA 1997.

### 3. Paragraphs 4, 8, 11, 18-21, 71-77, 156-159

Omit paragraphs (including headings)

### 4. Paragraph 7

Omit: 'Subject to paragraphs 8 and 9 below'; substitute: 'Subject to paragraph 9 below'.

### 5. Paragraph 15

Omit the first sentence; substitute:

'The fact that the study will enable a taxpayer to get employment, to obtain new employment or to open up a new income-earning activity (whether in business or in the taxpayer's current employment) is not a sufficient basis in itself for self-education expenses to be deductible.'

### 6. Detailed contents list

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<i>Other educational assistance payments</i>	77
<b>Alternative views</b>	<b>156</b>
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### 7. Legislative references

Omit:

- Student and Youth Assistance Act 1973

### 8. Case references

(a) Insert:

- FC of T v. Anstis (2010) 241 CLR 443; (2010) 76 ATR 735; 2010 ATC 20-221

(b) Omit:

- FC of T v. Klan 85 ATC 4060; (1985) 16 ATR 176
- Case N94 81 ATC 504; 25 CTBR (NS) Case 48

**9. Other Rulings on this topic**

Omit: 'IT 2458; '.

**10. Contents**

Omit: 'Alternative views 156'.

This Addendum applies on and from 7 December 2011.

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**Commissioner of Taxation**

7 December 2011

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## ATO references

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