

# ***CR 2007/48W - Income tax: UBS AG Key employee lending incentive plan***

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 This document has changed over time. This is a consolidated version of the ruling which was published on *19 November 2008*



# Notice of Withdrawal

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## Class Ruling

### Income tax: UBS AG Key employee lending incentive plan

Class Ruling CR 2007/48 is withdrawn with effect from today.

1. CR 2007/48 deals with the tax treatment for UBS AG Key employees who, through their participation in the lending incentive plan, defer receipt of their cash incentive award (bonus), and have it replaced with a loan from UBS AG up to 200% of the value of the deferred bonus. The deferred bonus is subsequently paid to employees at a later time.
2. The Commissioner has decided to withdraw this Class Ruling because the scheme described therein is considered to exhibit features suggesting that Part IVA of the *Income Tax Assessment Act 1936* (ITAA 1936) has application. Refer also to Taxpayer Alert TA 2008/14.
3. As the Class Ruling does not specifically address the application of Part IVA of the ITAA 1936, it has the potential to mislead those in the class of entities in assuming that Part IVA does not apply. It also has the potential to mislead others that may be considering schemes with similar features.
4. CR 2007/48 will continue to bind the Commissioner in relation to the class of entities who entered into the scheme prior to the date of withdrawal. Though the Class Ruling does not bind the Commissioner with regards to the application of Part IVA of the ITAA 1936, the Commissioner will not, in this instance, seek to apply Part IVA to the class of entities where they entered into the scheme prior to the date of withdrawal of this Class Ruling.

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**Commissioner of Taxation**

19 November 2008

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#### ATO references

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