


TR 2012/D1A1 - Addendum - Income tax: meaning of 'income of the trust estate' in Division 6 of Part III of the Income Tax Assessment Act 1936 and related provisions

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Addendum

Draft Taxation Ruling

Income tax: meaning of 'income of the trust estate' in Division 6 of Part III of the *Income Tax Assessment Act 1936* and related provisions

This Addendum is not a public ruling for the purposes of the *Taxation Administration Act 1953*. You can rely on this publication to provide you with protection from interest and penalties in the following way. If a statement turns out to be incorrect and you underpay your tax as a result, you will not have to pay a penalty. Nor will you have to pay interest on the underpayment provided you reasonably relied on the publication in good faith. However, even if you don't have to pay a penalty or interest, you will have to pay the correct amount of tax provided the time limits under the law allow it.

This Addendum amends Draft Taxation Ruling TR 2012/D1 to correct some minor errors.

TR 2012/D1 is amended as follows:

1. Paragraph 6

Omit the words from the second dot point 'in that year'.

2. Paragraph 28

Omit the table; substitute:

| Entity assessed | Share of distributable income | Share of net income |
|---------------------|-------------------------------|--|
| Amy Brisbane | \$416 of \$70,000 | $\frac{416}{70,000} \times \$100,000$ = \$594 |
| Barry Brisbane | \$416 of \$70,000 | $\frac{416}{70,000} \times \$100,000$ = \$594 |
| Charitable Brisbane | \$20,000 of \$70,000 | $\frac{20,000}{70,000} \times \$100,000$ = \$28,571 |

TR 2012/D1

| | | |
|----------------------|-----------------------------|---|
| Deal Brisbane | \$49,168 of \$70,000 | $\frac{49,168 \times \$100,000}{70,000}$ = \$70,240 |
|----------------------|-----------------------------|---|

3. Paragraph 122

Omit the last two sentences; substitute 'Attributable income may represent undistributed income or gains made by the foreign entity in which the trustee has an interest. To the extent that the trustee has not recognised any increase in the value of its interest in the foreign entity as an accretion to income for the income year, such attributable income is considered to be notional income.'

Commissioner of Taxation

29 May 2013

ATO references

NO: 1-4MJRXVG

ISSN: 1039-0731

ATOlaw topic: Income Tax ~~ Assessable income ~~ trust income – other