


***TD 93/D183 - Income tax: are Wheat Industry Fund levies paid by wheat growers under the Wheat Marketing Act 1989 deductible under subsection 51(1) of the Income Tax Assessment Act 1936? Are refunds of equity in the fund assessable under subsection 25(1)?***

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This document has been finalised by TD 94/13.

Draft Taxation Determinations (TDs) represent the preliminary, though considered, views of the ATO. Draft TDs may not be relied on; only final TDs are authoritative statements of the ATO.

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## Draft Taxation Determination

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**Income tax: are Wheat Industry Fund levies paid by wheat growers under the *Wheat Marketing Act 1989* deductible under subsection 51(1) of the *Income Tax Assessment Act 1936*? Are refunds of equity in the fund assessable under subsection 25(1)?**

1. This Taxation Determination confirms that Wheat Industry Fund levies and refunds of equity in the fund are treated in the same way as the former Wheat Finance Fund levies and distributions which were the subject of *Income Tax Ruling* IT 224.
2. Both the Wheat Industry Fund and Wheat Research Trust Fund components of the levies are deductible under subsection 51(1) of the Act, being necessarily incurred by growers in carrying on their business.
3. Refunds of equity in the fund are assessable under subsection 25(1) as they are an integral part of the activities of the growers which produce assessable income.

**Commissioner of Taxation**  
22/7/93

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FOI INDEX DETAIL: Reference No.

Related Determinations:

Related Rulings: IT 224, TR 92/9

Subject Ref: primary production; allowable deductions

Legislative Ref: ITAA 25(1), 51(1)

Case Ref:

ATO Ref: A42

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