


***TD 94/D5 - Income tax: can funds be raised through an infrastructure borrowing before expenditure is contractually required to be made for the construction of an infrastructure facility, or the construction or acquisition of a related facility?***

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This document has been finalised by TD 94/52.



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: can funds be raised through an infrastructure borrowing before expenditure is contractually required to be made for the construction of an infrastructure facility, or the construction or acquisition of a related facility?**

1. Yes. Funds which are intended to be spent on the construction of one or more 'infrastructure facilities', or the construction or acquisition of one or more 'related facilities', may be raised before expenditure is required to be made under the relevant agreement.
2. Under sections 159GZZZU and 159GZZZW of the *Income Tax Assessment Act 1936*, such borrowings will constitute infrastructure borrowings under Division 16L of Part III from the date of the borrowing if, at that time, the requirements relating to the spending of moneys set out in section 159GZZZZA are able to be satisfied.

**Commissioner of Taxation**  
13/1/94

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FOI INDEX DETAIL: Reference No.

Related Determinations:

Related Rulings:

Subject Ref: infrastructure borrowings; public infrastructure projects.

Legislative Ref: ITAA 159GZZZW, ITAA 159GZZZZA(1), ITAA 159GZZZZA(3), ITAA 159GZZZZC, ITAA 159GZZZZD.

Case Ref:

ATO Ref: Public Infrastructure Unit DTD/15

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