TD 98/D11 - Income tax: are joining fees or annual fees paid for a 'consumer loyalty program' an allowable deduction?

This cover sheet is provided for information only. It does not form part of *TD 98/D11 - Income tax: are joining fees or annual fees paid for a 'consumer loyalty program' an allowable deduction?*

This document has been finalised by TD 1999/35.

Australian Taxation Office

Taxation Determination TD 98/D11

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.

Draft Taxation Determination

Income tax: are joining fees or annual fees paid for a 'consumer loyalty program' an allowable deduction?

1. No, except when paid by an employer as a cost of employing a person, as there is no nexus between the expenditure and the derivation of assessable income.

2. A 'consumer loyalty program' is defined in Taxation Ruling TR 98/D9 'Income tax and fringe benefits tax: flight rewards received under frequent flyer and other similar consumer loyalty programs'.

Your comments

3. If you wish to comment on this draft Determination, please send your comments by 21 August 1998 to:

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Commissioner of Taxation
8 July 1998

FOI INDEX DETAIL: Reference No.
Related Determinations: TD 98/D10
Related Rulings: TR 97/D15; TR 98/D9
Subject Ref: deductions and expenses; frequent flyer benefits; non cash benefits
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