

Income Tax (Effective Life of Plant) Determination 2000

I, DAVID EDWARD BUTLER, First Assistant Commissioner, Business Tax Reform, delegate of the Commissioner, make this Determination under subsection 42-110 (1) of the *Income Tax Assessment Act 1997*.

Dated

21st December 2000

First Assistant Commissioner, Business Tax Reform

1 Name of Determination

This Determination is the *Income Tax (Effective Life of Plant) Determination 2000*.

2 Commencement

This Determination commences on 1 January 2001.

3 Revocation

All previous determinations of the effective life of plant for the purposes of the *Income Tax Assessment Act 1997* are revoked.

4 Effective life of plant

- (1) For subsection 42-110 (1) of the *Income Tax Assessment Act 1997*, the effective life of plant is specified in Tables A and B.
- (2) If the entity depreciating plant is using the plant in an industry specified in Table A, Tables A and B are to be used as follows:
 - (a) if the plant corresponds exactly to a description in Table A for the industry in which the plant is used, its effective life is the life specified for that plant;
 - (b) if the plant:
 - (i) does not correspond exactly to a description in Table A for the industry in which the plant is used; but

- (ii) satisfies the general description of plant used in the functional process of that industry —
its effective life is the life specified in Table A for that class of plant;
- (c) if:
 - (i) paragraphs (a) and (b) do not apply to the plant; and
 - (ii) the plant corresponds to a description in Table B —
its effective life is the life specified with that description.

Note Table A is intended to describe plant:

- that is peculiar to a particular industry; or
- for which a particular effective life is appropriate because of the way in which a particular industry uses the plant.

The industry headings in Table A have, where possible, been drawn from the classification subject categories in the Australian New Zealand Standard Industrial Classification (ANZSIC) Codes.

- (3) If:
 - (a) the entity depreciating plant is not using the plant in an industry specified in Table A; and
 - (b) the plant corresponds to a description in Table B —
the effective life of the plant is the life specified with that description.

Note If Tables A and B are not used, or cannot be used because:

- the plant is not used in an industry specified in Table A; and
- Table B has no description that corresponds to the plant —

the way to work out the effective life of the plant is explained in section 42-105 of the *Income Tax Assessment Act 1997*.