

IT 2007H - Notice of Archival - Entitlements to home loan interest rebates



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**Australian
Taxation
Office**

TAXATION RULING IT 2007

NOTICE OF ARCHIVAL

F.O.I. EMBARGO: may be released

Taxation Ruling IT 2007 is no longer current and has been archived.

The Ruling applied only for the purposes of applying subdivision AA of Division 17 of the *Income Tax Assessment Act 1936*.

Subdivision AA of Division 17 provides for two rebates of tax in respect of interest on loan moneys used by a resident taxpayer for the purchase, construction or extension of a dwelling in which he or she has a relevant interest and which is used as his or her principal dwelling.

The restricted home loan interest rebate applies for the first five years occurring after the taxpayer or spouse first occupies any dwelling in which she or he has a relevant interest by way of ownership as his or her sole or principal residence. The rebate is generally only available to taxpayers who first occupy their sole or principal residence before 1 October 1983. As the rebate is allowable only for five years after occupancy, these sections cease to have effect after 1 October 1988. There is an exception where a contract is entered into before 1 October 1983, either for the acquisition of property or the construction of property, and occupation takes place before 1 July 1985. In this case, the rebate will cease to apply after 1 July 1990.

The general home loan interest rebate is only applicable in the year of income ending 30 June 1983.

Commissioner of Taxation

28/7/94

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