


# ***IT 209W - Withdrawal - Income tax: deductibility of lease payments on farm sheds***

 This cover sheet is provided for information only. It does not form part of *IT 209W - Withdrawal - Income tax: deductibility of lease payments on farm sheds*



# Notice of Withdrawal

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## Taxation Ruling

### Income tax: deductibility of lease payments on farm sheds

Taxation Ruling IT 209 is withdrawn with effect from today.

1. Taxation Ruling IT 209 is about the deductibility, under subsection 51(1) of the *Income Tax Assessment Act 1936* (ITAA 1936), of lease payments made with respect to the leasing of farm sheds under an agreement. The IT states that the lessee is not entitled to an income tax deduction for the lease payments as the agreement is not considered to be a lease agreement but a form of sale of the building on deferred payment terms. The IT also explains that the lessee is entitled to accelerated depreciation and investment allowance under sections 57AE, 82AA and 82AE of the ITAA 1936.

2. IT 209 is no longer current as:

- the accelerated depreciation and investment allowance provisions have been repealed; and
- subsection 51(1) of the ITAA 1936 has been substituted by section 8-1 of the *Income Tax Assessment Act 1997*.

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**Commissioner of Taxation**

7 August 2013

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#### ATO references

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ATOlaw topic: Income Tax ~~ Deductions ~~ lease expenses