IT 2128W - Withdrawal - Deductions of P.A.Y.E. tax instalments: director's fees

This cover sheet is provided for information only. It does not form part of *IT 2128W - Withdrawal - Deductions of P.A.Y.E. tax instalments: director's fees*

Notice of Withdrawal

Taxation Ruling

Deductions of P.A.Y.E. tax instalments: director's fees

Taxation Ruling IT 2128 is withdrawn with effect from today.

1. Taxation Ruling IT 2128 explains that pay as you earn (PAYE) tax instalment deductions should be deducted from director's fees.

2. Subsection 221C(1A) of the *Income Tax Assessment Act 1936* only applies to payments made prior to 30 June 2000. From 1 July 2000, a company must withhold an amount from a payment of remuneration to a company director under section 12-40 of Schedule 1 to the *Taxation Administration Act 1953*.

3. The Ruling does not have application to income tax years after the 1999-2000 income year.

Commissioner of Taxation
1 November 2006

ATO references

NO:	2005/18404
ISSN:	0813-3662
ATOlaw topic:	Income Tax ~~ Withholding Tax ~~ pay as you go withholding