


***IT 2130A - Addendum - Income tax: depreciation:
investment allowance - demountable car parks:
whether plant***

 This cover sheet is provided for information only. It does not form part of *IT 2130A - Addendum - Income tax: depreciation: investment allowance - demountable car parks: whether plant*



Addendum

Taxation Ruling

Income tax: depreciation: investment allowance – demountable car parks: whether plant

This Addendum amends Taxation Ruling IT 2130 as a deduction for the development allowance (former investment allowance) under Subdivision B of Division 3 of Part III of the *Income Tax Assessment Act 1936* is not available in respect of a unit of property first used or installed ready for use after 30 June 2002.

Taxation Ruling IT 2130 is also amended to reflect the insertion of section 45-40 of the *Income Tax Assessment Act 1997*. This section provides the meaning of 'plant' from 1 July 2001.

Taxation Ruling IT 2130 is amended as follows:

1. Ruling heading

Omit the heading; substitute 'Income tax: demountable car parks – whether plant'.

2. Paragraph 2

Omit 'section 54 of the *Income Tax Assessment Act 1936*' in the first sentence; substitute 'section 45-40 of the *Income Tax Assessment Act 1997* (ITAA 1997)'.

3. Paragraph 3

Omit the paragraph; substitute:

3. A capital works deduction for expenditure on a demountable car park may be allowable under Division 43 of the ITAA 1997. If a capital works deduction is not allowable, a deduction for the car park's decline in value may be available under Division 40 of the ITAA 1997.

IT 2130

4. Paragraph 4

Omit the paragraph; substitute:

4. Expenses of dismantling, transport, storage and assembly may be expenditure of a capital nature and, therefore, would not be allowable as income tax deductions under section 8-1 of the ITAA 1997. However, deductions may be allowable under Division 40 or Division 43 of the ITAA 1997 for those costs.

5. Subject references

Omit the subject references; substitute:

- capital works
- decline in value
- depreciating asset
- plant

6. Legislative references

Omit the legislative references; substitute:

- ITAA 1997 Div 40
- ITAA 1997 Div 43
- ITAA 1997 8-1
- ITAA 1997 45-40

This Addendum applies on and from 1 July 2002.

Commissioner of Taxation

15 December 2004

ATO references

NO: 2003/11690

ISSN: 1039-0731