IT 333A1 - Addendum - Expenditure on spare parts and consumable stores. Whether deduction allowable on usage basis or in year of purchase

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Addendum

Taxation Ruling

Expenditure on spare parts and consumable stores. Whether deduction allowable on usage basis or in year of purchase

This Addendum amends Taxation Ruling IT 333 to reflect the changes to the law caused by the repeal of inoperative provisions.

Taxation Ruling IT 333 is amended as follows:

1. Paragraph 7

Omit 'section 51'; substitute 'section 8-1 of the *Income Tax Assessment Act 1997*'.

2. Paragraph 11

Omit the paragraph; substitute:

> 11. The above principles do not apply to spare parts which are termed rotable, cyclic or insurance spares in the aviation industry or standby and other spares that are alternate parts for particular depreciating assets. The cost of these spares may properly be accepted as part of the cost of the depreciating assets to which they relate for decline in value purposes.

3. Legislation references

(a) Omit:

51(1)

53

(b) Insert:

ITAA 1997 8-1

ITAA 1997 25-10

This Addendum applies on and from 14 December 2007.

Commissioner of Taxation
30 April 2008

ATO references

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