



Mining company: application of Division 10 to principal and sub-contractors engaged in mining operations

ADDENDUM

F.O.I. EMBARGO: may be released

The Tax Law Improvement Project is restructuring, renumbering and rewriting the income tax law in plain language. The Parliament is amending the income tax law progressively to reflect these aims. As new laws come into effect, Taxation Rulings about old laws are being brought into line with them.

This Addendum amends Taxation Ruling IT 363, in relation to the 1997-98 or a later income year, as follows:

1. **Title**

Omit 'Division 10'; substitute 'Division 330'.

2. **PREAMBLE**

Omit 'Division 10'; substitute 'Division 330'.

3. **Paragraph 2**

(a) Omit 'Division 10'; substitute 'Division 330'.

(b) At the end, insert:

'In this example the transport company carried out all the operations on the mining property for the recovery of the deposit being sought. If, however, a contractor merely transported, say, coal out of a mine, the activities would not be treated as mining operations and the contractor would not be entitled to Division 330 deductions.'

4. **After paragraph 3**

Insert:

'**Note:** Division 330 of the *Income Tax Assessment Act 1997*, to which this Ruling refers, expresses the same ideas as Division 10 of the *Income Tax Assessment Act 1936*.'

Commissioner of Taxation

30 July 1997

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