

# ***PR 2002/90A2 - Addendum - Income tax: tax consequences of investing in Macquarie Instalment Warrants - cash applicants and on-market purchasers***

! This cover sheet is provided for information only. It does not form part of *PR 2002/90A2 - Addendum - Income tax: tax consequences of investing in Macquarie Instalment Warrants - cash applicants and on-market purchasers*

! View the [consolidated version](#) for this notice.



## Addendum

---

### **Product Ruling**

### Income tax: tax consequences of investing in Macquarie Instalment Warrants – cash applicants and on-market purchasers

This Addendum amends Product Ruling PR 2002/90 to reflect a revised tax treatment for the part of the Borrowing fee that is not attributed to the purchase of the Put Option.

This Addendum applies on and from today.

PR 2002/90 is amended as follows:

**1. Paragraph 2**

Insert an additional dot point after the third dot point:

- section 25-25 (ITAA 1997);

**2. Subparagraph 13(f)**

From part way through the first sentence of subparagraph 13(f) delete:

on-paid by Macquarie as commission to distributors of the instalment warrants. No commission is paid in respect of on-market purchases;

and replace with:

paid for acquiring the Loan from Macquarie or for resetting the Loan Amount by Macquarie;

**3. Subparagraph 17(j)**

Delete the subparagraph and replace with:

- (j) the portion of the Borrowing fee that is paid for acquiring the Loan from Macquarie or for resetting the Loan Amount by Macquarie will be deductible to the Investors under section 25-25 of the ITAA 1997;

#### 4. Paragraph 21

From part way through the first sentence, delete:

commission that is on-paid by Macquarie to distributors of Macquarie Instalments. The commission is deductible on a due and payable basis.

and replace with

a payment for acquiring the Loan from Macquarie or for resetting the Loan Amount by Macquarie. This payment is deductible under section 25-25 of the ITAA 1997.

---

**Commissioner of Taxation**

2 July 2003

---

ATO references

NO: 2002/0011971

ISSN: 1441-1172