



PR 2004/71A - Addendum - Income tax: Treecorp Clearwood Project Stage 2

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Addendum

Product Ruling

Income tax: Treecorp Clearwood Project Stage 2

This Addendum amends Product Ruling PR 2004/71 to reflect changes to simplified tax system legislation from 2005-06 onwards.

PR 2004/71 is amended as follows:

1. Paragraph 53

Replace the paragraph with:

53. To be an 'STS taxpayer' a Grower must be eligible to be an 'STS taxpayer' and must have elected to be an 'STS taxpayer'. Changes to the STS rules apply from 1 July 2005. From that date, STS taxpayers may use the accruals accounting method. For a Grower participating in the Project, the recognition of income and the timing of tax deductions under the STS where the Grower uses the cash accounting method is different.

2. Paragraph 56

Replace the paragraph with:

56. Other than Growers referred to in paragraph 57, a Grower is assessable on ordinary income from carrying on their business of afforestation in the income year in which that income is derived.

3. Paragraph 57

Replace the paragraph with:

57. A Grower who is an 'STS taxpayer' (for the 2004-05 income year) or an 'STS taxpayer' using the cash accounting method (for the 2005-06 income year and later years) is assessable on ordinary income from carrying on their business of afforestation at the time the income is received.

This Addendum applies on and from 1 July 2005.

PR 2004/71

Commissioner of Taxation

19 October 2005

ATO references

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