

PR 2006/163A - Addendum - Income tax: 2007 Macgrove Project (Early Growers)

 This cover sheet is provided for information only. It does not form part of *PR 2006/163A - Addendum - Income tax: 2007 Macgrove Project (Early Growers)*

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



Addendum

Product Ruling

Income tax: 2007 Macgrove Project (Early Growers)

This Addendum amends Product Ruling PR 2006/163 to extend the number of Macgroves offered under the Product Disclosure Statement as a result of the Responsible Entity securing additional land for use in the Project.

PR 2006/163 is amended as follows:

1. Paragraph 30

Insert after the last dot point:

- application for a Product Ruling Addendum dated 5 January 2007 as constituted by documents provided on 5 and 25 January 2007, 1 and 6 February 2007 and additional correspondence dated 25 January 2007;
- Draft Supplementary Product Disclosure Statement of the 2007 Macgrove Project, received on 1 February 2007;
- Draft Lease Put and Call Option Deed for the 2007 Macgrove Project between Brian Gerrard Grant (Landowner)(Moore Park Landowner) and Maccacorp Limited (Maccacorp) received on 5 January 2007;
- Draft Lease (Moore Park lease) for the 2007 Macgrove Project between Moore Park Landowner (Lessor) and Maccacorp (Lessee) received on 6 February 2007;
- Three draft Sub Leases in relation to the Moore Park Lease for the 2007 Macgrove Project between Maccacorp and individual Growers received on 6 February 2007; and
- Draft Expert's Report (additional land at Moore Park) for the 2007 Macgrove Project received on 6 February 2007.

2. Paragraph 33

In the row headed 'Location', after the word 'Queensland' insert:

'and 351-353 Booyang Road, Moore Park, Queensland'

PR 2006/163A

In the row headed 'Number of hectares offered for cultivation', delete '120' and substitute with:

'209'

3. Paragraph 35

Omit the second sentence and substitute with:

'The offer under the PDS is for 520 established Macgroves totalling approximately 209 hectares in the Project.'

4. Paragraph 42

Omit the paragraph and substitute with:

'42. The Project land on which Growers will be growing and cultivating the Trees for the production of macadamia nuts is situated at 92 Kenzler Road, Sharon via Bundaberg Queensland (Kenzler Road land), and 351-353 Booyang Road, Moore Park, Queensland (Moore Park land). Maccacorp will enter into a Lease with the Landowner for the Kenzler Road land, and a Lease with the Moore Park Landowner for the Moore Park land, in relation to the Land, access roads and the supply of Irrigation Water. There are three dams on the Kenzler Road land with a total capacity of approx 400 mega litres as well as Water Allocations Nos 360 and 379 for a total of 238 mega litres per annum. There will be one main dam on the Moore Park land with a total capacity of approximately 25 mega litres. Additionally, water to the Moore Park land is supplied by a Queensland Government irrigation scheme, the allocation being 296 mega litres per annum. Further, Maccacorp will obtain Additional Water totalling 200 mega litres annually. The Leases will be submitted for registration with the Registrar of Titles, Queensland.'

5. Paragraph 70

(a) Omit '**Lease**' before paragraph 70 and substitute with:

'Leases'

(b) Omit the first sentence and substitute with:

'70. Under the Lease of the land at 92 Kenzler Road, Sharon via Bundaberg (Kenzler Road Lease), in return for the 'Rent', Maccland leases the Land to Maccacorp for the Term of the Project (clause 2.1).'

6. Insert new Paragraphs 70A to 70D

70A. Maccacorp has entered into a Put and Call Option Lease Deed in relation to the Moore Park land. Under the terms of the deed, Maccacorp has a right to require the Moore Park Landowner, to lease the Moore Park land to Maccacorp (for use in the Project). If Maccacorp does not exercise the call option, then the Moore Park Landowner can exercise his put option requiring Maccacorp to lease the land, provided Maccacorp has received applications for at least 350 Macgroves by 30 March 2007.

70B. If the Put and Call Option is not exercised by 30 March 2007, then the Put and Call Option will expire and Maccacorp will have no further rights in respect of the Moore Park land.

70C. Once the Put and Call Option is exercised, the Moore Park Landowner and Maccacorp will enter into the Moore Park Lease.

70D. Under the Moore Park Lease, in return for the 'Rent', the Moore Park Landowner leases the Land to Maccacorp for the Term of the Project (clause 2.1). The Land is located at Moore Park, Queensland, being Lots 1 and 2 on RP52762, Lot 1 on RP155035 and Lot 9 on RL199897. The Term of the Moore Park Lease will be 21 years, ending on 30 June 2028. The Rent is the total of rental received by Maccacorp under all sub lease agreements including, but not limited to the Sub Leases between Maccacorp and the Growers, which shall be due and payable on 1 July in each Financial Year commencing 1 July 2007. However, if the Commencement Date of the Moore Park Lease is before 1 July 2007, the Lessee must also pay a pro rata amount of the Rent from the Commencement Date until 30 June 2007 (clause 3).

7. Paragraphs 71, 72 and 73

Omit 'Lessor' and substitute with:

'Lessors'

8. Paragraph 71

Omit 'this Lease' and substitute with:

'these Leases'

9. Paragraphs 73 and 75

Omit 'Lease' and substitute with:

'Leases'

10. Paragraph 73

- (a) Delete '(clause 8.3)' from the last dot point.
- (b) Insert the following dot point:
 - 'must at its own expense, obtain the Additional Water (being defined as 200 mega litres of water).'

11. Paragraph 74

Delete 'Lease' and substitute with:

'Kenzler Road Lease'

12. Insert new Paragraph 74A

74A. Under the Moore Park Lease, the Moore Park Landowner will:

- provide Access Roads for use by Maccacorp and Maccacorp's employees and will maintain the supply of the Irrigation Water (clause 9.6);
- renew water allocations and licences as and when required (clause 9.8); and
- purchase the Additional Water from the Lessee on or before 1 July in the fourth Financial Year of the Project (clause 9.9).

This Addendum applies on and from 20 December 2006.

Commissioner of Taxation

21 February 2007

ATO references

NO: 2006/017265

ISSN: 1441-1172

ATOlaw topic: Income Tax ~~ Product ~~ crops - other