

PR 2006/165A1 - Addendum - Income tax: ITC Diversified Forestry Project Stage 1 (2007)

⚠ This cover sheet is provided for information only. It does not form part of *PR 2006/165A1 - Addendum - Income tax: ITC Diversified Forestry Project Stage 1 (2007)*

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



Addendum

Product Ruling

Income tax: ITC Diversified Forestry Project Stage 1 (2007)

This Addendum is issued as a result of the failure of Pulpwood plantations in the Bundaberg/Gladstone and Mackay regions of central Queensland due to the emergence of a previously unknown fungal disease.

The Project's Product Disclosure Statement requires the Responsible Entity to re-establish these plantations at its own expense. The Responsible Entity is unable to re-establish the failed plantations in the existing locations because the fungal disease remains prevalent and untreatable.

As a result, a Deed of Variation of Land Agreement (the Deed) will be entered into by the Responsible Entity on the affected Growers' behalf. The Deed will terminate the Growers' existing interests in land and grant equivalent interests in land in the new plantations.

This Addendum amends Product Ruling PR 2006/165 to amend the description of the scheme.

PR 2006/165 is amended as follows:

1. Paragraph 26

(a) Omit the first dot point, substitute:

- Application for a Product Ruling as constituted by documents dated 21 August 2006 and additional correspondence, including emails, dated 28 August 2006, 29 September 2006, 23 November 2006, 30 November 2006, 17 February 2011, 18 March 2011, 20 April 2011, 23 May 2011 and 14 June 2011;

(b) Omit the last two dot points; substitute:

- Draft Independent Experts Forester's Report for the ITC Diversified Forestry Project Stage 1 Product Disclosure Statement (PDS), dated 5 April 2006 and received 21 August 2006;
- Memorandum of Association ITC Project Management Limited, received 21 August 2006;
- Final **Product Disclosure Statement** issued by ITC Project Management Limited on 20 December 2006; and

- Draft **Deed of Variation of Land Agreement for the ITC Diversified Forestry Project Stage 1 (2007)**, received 17 February 2011.

2. Paragraph 34

After paragraph, insert:

34A. If, within 12 months of planting, an area is damaged by pests or disease to the extent that it will materially affect timber yield, the Responsible Entity will re-establish the damaged area at its cost (clause 5.2 of the final PDS). In circumstances where successful re-establishment will require the reallocation of a part of an affected Grower's Diversified Forestry Unit, a Deed of Variation of Land Agreement will be entered into to give effect to the reallocation.

3. Paragraph 45

After paragraph, insert:

Deed of Variation of Land Agreement

45A. Where the Responsible Entity has executed a Land Agreement on behalf of a Grower and a need arises to reallocate part of a Grower's Diversified Forestry Unit(s), a Deed of Variation of Land Agreement will be executed by the Responsible Entity on behalf of the Grower. The Deed of Variation of Land Agreement will maintain the Grower's identifiable interest in land following the reallocation of part of the Grower's Diversified Forestry Unit(s).

4. Paragraph 93

Insert:

Deed of Variation of Land Agreement 45A

This Addendum applies on and from 20 July 2011.

Commissioner of Taxation

20 July 2011

ATO references

NO: 1-2PDZKSA

ISSN: 1441-1172

ATOlaw topic: Income Tax ~~ Product ~~ timber