PS LA 2011/12 - Remission of general interest charge

This cover sheet is provided for information only. It does not form part of *PS LA 2011/12 - Remission of general interest charge*

This Practice Statement is being reviewed to ensure alignment of the ATO's approach to remission of interest and penalties charges'.

This document has changed over time. This version was published on *25 June 2026*

Remission of general interest charge

This Practice Statement provides guidance on the remission of general interest charge.

Relying on this Practice Statement

This Practice Statement is an internal instruction to ATO staff, published externally in the interest of open tax administration.

Taxpayers can rely on this Practice Statement to provide them with protection from interest and penalties in the following way. If a statement turns out to be incorrect and taxpayers underpay their tax as a result, they will not have to pay a penalty, nor will they have to pay interest on the underpayment provided they reasonably relied on this Practice Statement in good faith. However, even if they do not have to pay a penalty or interest, taxpayers will have to pay the correct amount of tax provided the time limits under the law allow it.

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What this Practice Statement is about

1. Fully complying with taxation obligations is an important community responsibility. Taxpayers are expected to pay their tax debts as and when they fall due. Various taxation laws provide for the automatic imposition of interest (including the general interest charge (GIC)) on unpaid tax debts, which the ATO will take steps to recover. However, the law recognises there are situations where remission of interest may be appropriate.

2. Any decision you make in relation to the remission of GIC must be consistent with both the law and the policy in this practice statement. Your decisions must also be consistent with the commitments made by the ATO in the ATO Charter and Chief Executive Instruction Respecting taxpayers' rights of review.

3. All legislative references in this Practice Statement are to the *Income Tax Assessment Act 1997*, unless otherwise indicated.

What the general interest charge is

4. GIC is imposed by law where an amount owing to us remains unpaid or where there is an underpayment of tax following an amendment to an assessment.

5. Very generally, the GIC is intended to:

- encourage the timely payment of tax
- deny late payers an unfair financial advantage over those who pay on time, and
- compensate the Australian Government for the impact of late payments.

6. This Practice Statement primarily concerns the remission of GIC that is imposed when an amount is unpaid by its due date.

Can general interest charge be remitted

7. We have the discretion to remit the GIC under the *Taxation Administration Act 1953* (TAA).[1]

[1] Section 8AAG of the TAA.

8. A client may request a remission of GIC at any time. The onus is generally on the client to satisfy us that remission is warranted and must provide us with sufficient information to allow us to make a decision.

9. However, we may initiate remission ourselves if we are aware of circumstances justifying remission in a particular case or group of cases.

10. We can remit all or part of the GIC payable by the client. You should consider partial remission when the circumstances of the case do not warrant full remission.

When general interest charge should be remitted

11. GIC may be remitted on various grounds prescribed under the legislation. These are outlined in further detail in paragraph 13 to 58 of this Practice Statement.

12. When considering whether to remit GIC, you must have regard to all the facts and circumstances of the particular case.

Where the delay was not caused by the client

13. We may remit GIC where we are satisfied that[2]:

- the circumstances contributing to the delayed payment are not the client's fault, and
- the client has taken reasonable steps to mitigate, or mitigate the effects of, those circumstances.

14. The client needs to show how an event which was beyond their control affected their ability to pay. They also need to show that they would, but for that event, have paid on time.

15. Examples of circumstances not caused by the client include natural disasters (such as fire, flood or drought), industrial action, an unforeseen collapse of a major debtor of the client, the sudden ill health of the key personnel in sole trader or small business situations, or experiences of vulnerability (such as family violence, financial coercion, homelessness or serious mental health challenges).

16. However, circumstances such as general adverse business conditions facing an industry, general economic downturn or fluctuations of currency exchange rates would not usually justify remission.

17. Similarly, a client whose ability to pay on time is affected by an extended credit policy to maintain business which adversely affects their cash flow, or who uses available funds to buy assets or to pay other creditors, will not usually qualify for remission.

18. You should also consider what reasonable steps the client has, or could have, taken (for example, realise assets or seek finance) to lessen the severity of the circumstances causing the payment delay.

Where the delay was caused by the client and it is fair and reasonable to remit

19. We may remit GIC where[3]:

- the circumstances contributing to the delay are due to the client's acts or omissions

[2] Subsection 8AAG(3) of the TAA.
[3] Subsection 8AAG(4) of the TAA.

- the client has taken reasonable steps to mitigate, or mitigate the effects of, those circumstances, and
- having regard to the nature of those circumstances, it would be fair and reasonable to remit.

20. If the delay was caused by the client, you must consider their actions to reduce the severity and impact of the circumstances causing the delayed payment. You must also consider whether it is 'fair and reasonable' to remit.

21. The words 'fair and reasonable' are given their ordinary meaning. You should consider the following:

- the intent of the GIC as described in paragraph 5 of this Practice Statement and the legislative policy that clients should be liable to additional charges if they pay late, and
- not only must the exercise of the power to remit be fair to the client concerned, it must be fair to the whole community. In other words, a client who pays late should not be given any unfair financial advantage over those taxpayers who organise their affairs to ensure they can pay on time. Clients will need to demonstrate that it is fair and reasonable to remit the GIC, having regard to the nature of the specific event.

22. Therefore, you should ask whether ordinary and reasonable members of the community who pay their taxes on time would see the circumstances as fair and reasonable to remit.

23. For example, the community may view it as fair and reasonable that a partial or full remission be granted where the client may have made a soundly advised or well-considered decision which results in unforeseen severe consequences affecting their ability to pay. In this instance, the client would need to demonstrate that plans were in place to pay their tax on time.

24. Conversely, the community would not generally perceive it to be fair and reasonable where a client in business was unable to pay on time simply because of generally adverse economic conditions. This is because many other businesses are also experiencing these conditions, but have taken appropriate steps to ensure that they pay their taxes on time.

Where there are special circumstances

25. We may remit GIC if[4]:

- there are special circumstances relating to the client's case, and
- because of those special circumstances, it would be fair and reasonable to remit.

26. What constitutes 'special circumstances' will depend on the facts in the particular case. You must consider each case on its own merits.

27. An example of a special circumstance would be where a client with a consistently good payment record is late making a payment on an isolated occasion. In deciding whether to remit the GIC in whole or in part, the good payment history and any other relevant factors of the client will be taken into account.

[4] Paragraph 8AAG(5)(a) of the TAA.

28. It must also be fair and reasonable to remit because of those special circumstances. The meaning of fair and reasonable is considered in paragraphs 21 to 24 of this Practice Statement.

Where it is 'otherwise appropriate' to remit

29. We may remit GIC if it is 'otherwise appropriate to do so'.[5] The decision to remit the GIC on this ground is restricted to senior tax officers.[6]

30. This is a broad discretion and there is no exhaustive list of those circumstances which might warrant remission under this provision. However, it gives us a degree of flexibility for the remission of the GIC. It means that we can respond to changing circumstances and consider unusual factors or future issues on their merits and make decisions accordingly.

31. Such decisions may be concerned with the circumstances of a particular client. In practice, however, they are more likely to extend to a particular group of tax clients, or to the general body of tax clients, and may involve consideration of issues of administrative efficiency and fairness.

32. An example of this type of decision is where the ATO introduced certain debt assistance initiatives. These allowed for extended repayment programs that considered partial or full GIC remission for the period of the payment arrangements.

33. Note that while a decision may be made to allow a remission of GIC for a particular category of tax debtors, this does not necessarily mean that *all* tax debtors falling within that category will be granted a remission or given a remission to the same extent.[7]

Specific situations

34. Specific policies apply to the remission of GIC in the following situations.

Disputed debt and 50:50 arrangements

35. You may offer a client a 50:50 arrangement which minimises their exposure to the GIC. Very generally, if the client pays all undisputed debts and a minimum of 50% of the principal disputed tax debt, we will remit 50% of the applicable GIC on the remaining balance of the debts in dispute, subject to various other conditions.

36. Refer to Law Administration Practice Statement PS LA 2011/4 *Collection and recovery of disputed debts* for a more detailed discussion of 50:50 arrangements and the GIC implications of these.

Bankruptcy or liquidation

37. The ATO will generally include claims for GIC in a proof of debt. You should not remit GIC in these cases as a general rule.

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[5] Paragraph 8AAG(5)(b) of the TAA.
[6] See the 'Taxation Authorisation Guidelines' within Delegations and Authorisations (link available internally only); paragraph 1.16.8 *Remit general interest charge: 'otherwise appropriate to do so'*.
[7] The Commissioner reserves the right not to grant a remission if the particular circumstances of a case are such that it would be inappropriate for such a concession to be given, taking into account the legislation and the factors considered in this policy.

Superannuation guarantee charge

38. We have the discretion to remit GIC for the late payment of superannuation guarantee charge (SGC). It is however important to note that:

- SGC is an amount collected on behalf of employees, and
- SGC is payable by employers who have failed to provide the prescribed minimum level of superannuation support.

39. Given these considerations, it may often be difficult to regard remission in these cases as fair and reasonable.

40. Each case must, however, be examined on its merits taking into account the particular facts of the case in question.

41. One situation where remission may be granted is where an audit area has determined that an employer has not made the minimum required superannuation contributions for an individual engaged under a contract for their labour as both parties reasonably believed that an employment relationship did not exist, resulting in an SGC assessment to the employer.

Excess contributions tax and the Division 293 tax

42. There are caps on the amount that can be contributed to superannuation each financial year that are taxed at lower rates. If the client contributes more than these caps, they may have to pay extra tax. In some cases, the client can choose to pay the excess contributions tax from their superannuation fund. This requires a release authority from the ATO, which the client forwards to the superannuation fund, directing them to release an amount to pay the tax.

Excess contributions tax for 2012–13 and prior years, and excess non-concessional contributions tax for the 2013–14 and following income years

43. Excess contributions tax is due for payment 21 days after the assessment is given. GIC applies after this date if any of the tax is unpaid.

44. As soon as practicable after making the excess non-concessional contributions tax assessment, the ATO must give the client a release authority[8], authorising the client's superannuation fund to release an amount to pay the tax.

45. Where the client gives the release authority to their superannuation fund before the due and payable date of the assessment, and the fund pays an amount to the ATO within the 30 days from when the superannuation fund receives the release authority[9], you should remit any GIC on the assessment up to the date the amount is paid to the ATO.

Excess concessional contributions in the 2013–14 and following income years

46. A client can make an election within 21 days from the receipt of an excess concessional contributions determination to issue a release authority to their superannuation fund.[10]

47. Where the superannuation fund pays an amount to the ATO within the 7 days from the issue of the release authority, you should consider whether to remit any GIC accrued

[8] Section 292-405.
[9] Subsection 292-415(1).
[10] Section 96-5 of Schedule 1 to the TAA.

on the client's related income tax liability. You should also consider the extent of such a remission, on a case-by-case basis, taking into account the general guidelines contained in this Practice Statement.[11]

Division 293 tax

48. A client may be liable for additional tax where an individual's income and certain superannuation contributions are in excess of the high-income threshold. GIC accrues on an assessed Division 293 tax for an income year[12] and a debt account discharge liability for a superannuation interest[13], if they are not paid by their due and payable date.

49. Where a client gives a release authority to their superannuation fund before the due and payable date of those liabilities, and the superannuation fund pays the amount to the ATO within the 30 days of the superannuation fund receiving the release, you should remit any relevant GIC accrued up to the date of payment from the superannuation fund.

Pay as you go instalments

50. You should not remit GIC on unpaid pay as you go (PAYG) instalments solely because the income tax subsequently assessed for a client is less than the PAYG instalments that are payable for that year.

51. Similarly, where the client chooses a varied instalment rate that is lower than the rate previously used and is eligible for a credit in respect of earlier instalments, you should not remit GIC on the unpaid amount of that instalment for that reason alone. Any remission of GIC in these cases will only be granted if it is fair and reasonable to do so because of special circumstances.[14]

Deceased estates

52. Where payment cannot be made because probate has not been granted, the ATO recognises that this is often outside the control of the trustee of the deceased estate. In these situations, you should generally remit the GIC that has accrued on the account for the period from the date of death until 28 days after probate is granted.

53. For GIC accrued during the period of administration, remission may be granted if the trustee of a deceased estate under administration can show that assets were realised promptly and funds were not available at an earlier date to enable payment.

Competent authority issues or mutual agreement procedures

54. There are specific rules governing GIC remission in cases involving double-taxation with another tax jurisdiction, where the mutual agreement procedure article in Australia's double-tax agreements applies.

55. Remission of GIC generally depends on the amount of tax actually paid in the foreign jurisdiction where that tax is directly related to the particular amount of profits that are the subject of the mutual agreement procedure.

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[11] This is because for the 2013–14 and later income years, excess concessional contributions are included in assessable income. It may therefore only be part of the reason for the debtor's total income tax debt.
[12] Section 293-75.
[13] Section 133-115 of Schedule 1 to the TAA.
[14] Note that the basis for a GIC remission in cases involving a variation of the PAYG instalment rate is contained separately in section 45-240 of Schedule 1 to the TAA.

Foreign revenue claims

56. If we are collecting a foreign revenue claim on behalf of another country under Division 263 of Schedule 1 to the TAA:

- You should remit GIC on the unpaid amount of the claim where the claim is reduced due to a reduction in the client's liability in that country. This may occur from a successful objection or appeal in that country where the client is considered to never have been liable for the amount of the reduction. You should remit the GIC incurred on the amount of the reduction.
- You should generally not remit GIC solely because the client has made a part-payment of the liability in the other country.

57. In some cases, we may remove details of a foreign revenue claim from the foreign claims register under Division 263. In such cases, the client will be entitled to a credit equal to the amount of the GIC that may have accrued in relation to the claim.

58. Refer to Law Administration Practice Statement PS LA 2011/13 *Cross-border recovery of taxation debts* for a detailed discussion of foreign revenue claims.

More information

59. For more information, see:

- Chief Executive Instruction Respecting taxpayers' rights of review CEI (link available internally only)
- PS LA 2011/4 *Collection and recovery of disputed debts,* for a more detailed discussion of 50:50 arrangements and the GIC implications of these
- PS LA 2011/13 *Cross-border recovery of taxation debts,* for a more detailed discussion of foreign revenue claims
- ATO Charter – sets out the way the ATO conducts itself when dealing with our clients

Date issued: 14 April 2011

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Appendix – Deductibility and assessability of general interest charge and other interest charges

Deductibility of ATO interest charges

60. Taxpayers can continue to claim a tax deduction for GIC and shortfall interest charge (SIC) in their tax return where the interest is incurred in an income year[15] that began prior to 1 July 2025.[16]

61. Taxpayers cannot claim a deduction for GIC and SIC incurred in an income year that began on or after 1 July 2025.[17]

'Accrue' and 'incur'

62. The terms 'accrue' and 'incur' are used frequently in this Practice Statement.

- Accrue – GIC for late payment accrues on a daily basis, that is, it accumulates daily.[18]
- Incur – for GIC to be deductible, it must have been *incurred* by the taxpayer in the year of income that began prior to 1 July 2025. You 'incur' GIC only if and when you actually become liable for it.

63. Taxpayers are entitled to claim a deduction even though the GIC may not have in fact been paid. This is applicable whether the taxpayer accounts for expenses on a 'cash basis' or 'accruals basis'.

64. GIC is not incurred on unpaid income tax debts until the taxpayer is served (or, in the case of a full self-assessment taxpayer, is taken to have been served) with a notice of assessment (NOA) triggering the liability to pay the income tax.[19]

65. Before this point, taxpayers are not liable for that income tax or associated GIC, however, the calculation of GIC may be backdated for a period before service of the NOA.

66. For example, a taxpayer lodges their individual 2023 tax return late on 1 July 2024 and an NOA is given on 21 July 2024. The taxpayer will be liable for GIC from 21 November 2023 (being the due date for payment of the income tax), as it accrues and is backdated to the legislated payment due date.[20] However, the GIC is incurred in the 2024–25 financial year when the NOA was given (that is, served).

Amended assessments

67. Taxpayers are entitled to claim a tax deduction for SIC incurred in an income year that began prior to 1 July 2025. SIC is incurred when a notice of amended assessment is served.[21]

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[15] For taxpayers with a substituted accounting period, the substituted accounting period is itself considered an 'income year'.
[16] Paragraph 25-5(1)(c). The former penalty by way of interest imposed under sections 163C, 170AA and 207A of the *Income Tax Assessment Act 1936* (ITAA 1936) may also be claimed as a deduction. The deductibility of interest imposed under sections 163C, 170AA or 207A for income years 1992–93 to 1996–97 inclusive is provided for under subsection 51(5) of the ITAA 1936. For income years 1997–98 to 1998–99 inclusive, deductions can be claimed under section 25-5.
[17] *Treasury Law Amendment (Tax Incentives and Integrity) Act 2025*.
[18] See section 8AAC of the TAA.
[19] *Commissioner of Taxation v Nash* [2013] FCA 336.
[20] Subsection 5-5(5).
[21] That is, when the client became 'definitively committed' to the payment or 'has completely subjected itself to the liability' *(Federal Commissioner of Taxation v James Flood Pty Ltd* [1953] HCA 65; 88 CLR 492 at [506].

68. Amended assessments carry a prospective due date[22], and the SIC applies between the due date of the original assessment and the day before the date the amended assessment is given. GIC for late payment of the amended tax liability accrues from the day it was due to be paid and is incurred daily.

Late lodgment

69. Where a taxpayer lodges late, any GIC that accrues[23] (and is backdated from the statutory due date for payment of the original assessment to the date the assessment is given) is incurred on the day the assessment is given.[24] GIC accruing after the date the assessment is given is incurred on a daily basis.

Deductibility of general interest charge on other revenue types

Fringe benefits tax

70. GIC on an unpaid fringe benefits tax liability accrues from the date prescribed in subsection 90(1) of *the Fringe Benefits Tax Assessment Act 1986* and is incurred for the purposes of section 8-1 as and when it accrues.[25]

Goods and services tax

71. The liability to pay an assessed net amount of goods and services tax (GST) under the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act) depends upon the making of an assessment. The Commissioner is treated as having made an assessment when a GST return is lodged for the tax period.[26]

72. GIC on an unpaid GST liability for tax periods commencing from 1 July 2012 onwards *accrues* from the dates prescribed in the GST Act[27], but will only be *incurred* if an assessment has been made (or is taken to have been made) for the tax period.

Assessability of general interest charge and shortfall interest charge remitted

73. Taxpayers who have claimed (or can claim) a deduction for GIC or SIC must include as assessable income any GIC or SIC that is subsequently remitted.

74. This applies even if they had not actually claimed a deduction for the remitted GIC. It applies so long as they *can claim* a deduction for that amount.

75. Amounts remitted should be included as assessable income in the income year that the remission occurs.[28]

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[22] Any extra income tax resulting from amended assessments is due and payable 21 days after the day on which we give the taxpayer their notice of amended assessment.
[23] Under former section 204 of the ITAA 1936 and section 5-5.
[24] See *Commissioner of Taxation v Nash* [2013] FCA 336.
[25] See also Taxation Determination TD 2004/20 *Income tax: where the Commissioner makes or amends a fringe benefits tax assessment for a fringe benefits tax year, when does the taxpayer incur an outgoing for the purposes of section 8-1 of the Income Tax Assessment Act 1997 for the fringe benefits tax assessed?*
[26] Section 155-15 of Schedule 1 to the TAA.
[27] Sections 33-3 and 33-5 of the GST Act.
[28] Section 20-25 states that remission of the GIC is a recoupment. Where a deduction has been allowed, or is allowable, under section 25-5 for tax-related expenditure, any recoupment of the expenditure is assessable under sections 20-35 or 20-40 of Subdivision 20-A.

76. Assessable recoupments can arise in other circumstances relating to recalculations of GIC, particularly in relation to an amended assessment which reduces liability.[29]

Examples

Example 1 – when to claim a deduction for general interest charge incurred in a single income year

77. *Sam lodges his 2022–23 tax return on 20 October 2023. A debit NOA is given to Sam on 1 November 2023 with a payment due date of 22 November 2023.*

78. *Sam fails to pay this amount by the due date and GIC continues to accrue until the total amounts owing are paid in full on 31 March 2024.*

79. *The GIC that accrues from 22 November 2023 to 31 March 2024 is incurred in the 2023–24 income year.*

80. *Sam is entitled to claim the GIC as a deduction in his 2023–24 tax return.*

Example 2 – general interest charge accrued over multiple income years

81. *Tally Co's 2025–26 tax return is due to be lodged on or before 1 December 2026 (it has a 30 June 2026 balance date). However, it does not lodge its return until 31 July 2027. The return results in an income tax debt, which also has a due date for payment of 1 December 2026.*

82. *The GIC imposed from 1 December 2026 to 30 July 2027 is incurred on 31 July 2027, being the date the NOA is deemed to have been served upon lodgment by Tally Co of its tax return.*

83. *A deduction cannot be claimed for the GIC as it is incurred in an income year that began on or after 1 July 2025.*

Example 3 – when remission of general interest charge must be included as assessable income – one income year

84. *Tina lodges her 2022–23 tax return on 20 October 2023. The NOA is given to her on 31 October 2023, resulting in a debt that is due to be paid on or before 21 November 2023.*

85. *Due to financial difficulties, Tina is unable to pay her debt by the due date. She approaches the ATO in January 2024 for assistance. The ATO assesses Tina's individual circumstances and grants a payment arrangement and partial remission of the GIC. Tina pays out her total debt in full on 30 June 2024.*

86. *GIC is incurred on a daily basis from 21 November 2023 to 30 June 2024 – that is, in the 2023–24 income year. The remission also occurs in the 2024 income year.*

87. *In her 2023–24 tax return, Tina can claim the GIC as a deduction at 'Cost of managing tax affairs' at question D10 – label N and must declare the remitted GIC as 'Other income' (ATO interest) in her tax return at question 24 – label X.*

[29] Where a reduced liability to GIC results from a recalculation of the liability (following an amended assessment) an assessable recoupment arises under paragraph 20-20(3)(b). See also *Ziegler v Commissioner of Taxation* [2025] FCAFC 168.

Example 4 – when remission of general interest charge must be included as assessable income – multiple income years

88. *Owen lodges his 2021–22 tax return on 20 October 2022. He is given an NOA on 31 October 2022, resulting in a debt that is due to be paid on 21 November 2022.*

89. *Owen pays the primary amount of the tax debt on 23 December 2023, not including GIC, which has accrued on the liability from 21 November 2022. Owen approaches the ATO for a remission of the GIC and is granted a partial remission on 23 December 2023.*

90. *This GIC remission amount must be included in his 2023–24 tax return, being the year in which the remission is granted. This is irrespective of whether Owen requests an amendment to his 2022–23 income tax assessment to claim a deduction for the GIC incurred in the 2022–23 income year or whether he chooses to claim a deduction in his 2023–24 tax return for the other portion of GIC incurred in that year.*

91. *This is because the law deems the remission amount to be an assessable recoupment for the current year if the taxpayer has deducted or can deduct the amount of the outgoing in an earlier income year.*[30] *As Owen can still claim a deduction for GIC incurred in both the 2022–23 and 2023–24 income years, and the GIC is incurred in an income year that began prior to 1 July 2025, he must declare the remitted amount in his 2023–24 income year.*

[30] Subsection 20-25(2A).

Amendment history

25 June 2026

Part	Comment
Paragraph 15	Inserted vulnerability as an example of where remission may be appropriate.
All	Revised to incorporate amendments resulting from *Treasury Laws Amendment (Tax Incentives and Integrity) Act 2025*. Taxpayers are no longer entitled to claim general interest charge incurred on or after 1 July 2025 as a deduction.
All	Updated to align with amended Practice Statement style and formatting requirements.

6 May 2020

Part	Comment
Other references	Other references.

26 November 2015

Part	Comment
All	Revised to put into new LAPS style; change in contact details; removed Calculation of GIC; removed Imposition of GIC on judgment debts.

19 December 2013

Part	Comment
Various	Minor revisions to styling and content to improve readability.
New paragraph 2	Introduces the information included in the Annexure.
New paragraph 4	Introduces definitions of certain terms used in this practice statement.
New paragraphs 31-32	Additional information covering the requirement for tax officers to follow the *Taxpayers' Charter,* and review rights.
New paragraph 34	Additional information on the circumstances when partial remission should be considered.
New paragraph 42	Introduces the legislative provision that allows the Commissioner to remit GIC where it is fair and reasonable to do so.
New paragraph 48-50	Introduces the legislative provision that allows the Commissioner to remit GIC where there are special circumstances to do so, or there are 'otherwise appropriate' circumstances.
New paragraph 55	Qualifies that the Commissioner may exclude specific taxpayers from a body of tax clients when GIC remission is granted.
New paragraph 56	Introduces specific examples where the Commissioner will remit GIC where it is fair and reasonable to do so.
Annexure – Paragraphs 113-148	The information on deductibility and assessability of GIC that was previously included in Chapter 93, has been revised and re-inserted into the Annexure of this LAPS. Examples have also been included to illustrate the application of the provisions.
Annexure – paragraph 149	Examples of how the provisions determining deductibility and assessability of GIC are applied in particular circumstances.

References

Previous draft:

Not previously issued as a draft

Related rulings and determinations:

TR 2000/16; TD 2004/20

Legislative references:

- TAA 1953 8AAC
- TAA 1953 8AAG
- TAA 1953 8AAG(3)
- TAA 1953 8AAG(4)
- TAA 1953 8AAG(5)(a)
- TAA 1953 8AAG(5)(b)
- TAA 1953 Sch 1 133-115
- TAA 1953 Sch 1 45-240
- TAA 1953 Sch 1 96-5
- TAA 1953 Sch 1 155-15
- TAA 1953 Sch 1 Div 263
- ITAA 1936 163C
- ITAA 1936 170AA
- ITAA 1936 204
- ITAA 1936 207A
- ITAA 1936 51(5)
- ITAA 1997 5-5
- ITAA 1997 5-5(5)
- ITAA 1997 8-1
- ITAA 1997 Subdiv 20-A
- ITAA 1997 20-20(3)(b)
- ITAA 1997 20-25
- ITAA 1997 20-25(2A)
- ITAA 1997 20-35
- ITAA 1997 20-40
- ITAA 1997 25-5
- ITAA 1997 25-5(1)(c)
- ITAA 1997 292-405
- ITAA 1997 292-415(1)
- ITAA 1997 Div 293
- ITAA 1997 293-75
- ANTS(GST)A 1999 33-3
- ANTS(GST)A 1999 33-5
- FBTAA 1986 90(1)
- Treasury Law Amendment (Tax Incentives and Integrity) Act 2025

Cases relied on:

Federal Commissioner of Taxation v James Flood Pty Ltd [1953] HCA 65; 88 CLR 492; 27 ALJR 481; 10 ATD 240; [1953] ALR 903

Commissioner of Taxation v Nash [2013] FCA 336; 211 FCR 520; 301 ALR 732; 2013 ATC 20-384; 95 ATR 251

Ziegler v Commissioner of Taxation [2025] FCAFC 168; 2025 ATC 20-983; 313 FCR 574

Related practice statements:

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