


TGD 93/1 - Training guarantee: can an employer elect to use the 'minimum allowable apprentice or trainee amount' for some apprentices or trainees and net actual training costs for others when calculating net eligible training expenditure?

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This document has been Withdrawn.

There is a [Withdrawal notice](#) for this document.

This Determination is not a 'public ruling' in terms of Part IVAAA of the Taxation Administration Act 1953. Training Guarantee Determinations do not have the force of law. Each decision made by the Australian Taxation Office is made on the merits of each individual case having regard to any relevant Determination or Ruling.

Training Guarantee Determination

Training guarantee: can an employer elect to use the 'minimum allowable apprentice or trainee amount' for some apprentices or trainees and net actual training costs for others when calculating net eligible training expenditure?

1. No. If an employer elects under section 28 of the *Training Guarantee (Administration) Act 1990* to use the 'minimum allowable apprentice or trainee amount' for a year, the election applies to each apprentice or trainee employed by the employer during that year.
2. An election under section 28 only applies to the year for which it is made.
3. In the case of related corporations that choose to be treated as a company group for training guarantee purposes, an election under section 28 will apply to the group as if it were a single employer. Therefore the method chosen by the group must be used by all of its members.

Example:

ABC Pty Ltd employs 1 apprentice and 1 trainee for the full 12 months of the year ended 30 June 1992 (the 'minimum allowable apprentice or trainee amount' for each apprentice or trainee for that year was \$1070). ABC has calculated that the net actual cost of training the apprentice was \$2300 and the net actual cost of training the trainee was \$240 for that year.

There are two acceptable methods of calculating net eligible training expenditure for these employees, either;

- (a) net actual expenditure; ie $\$2300 + \$240 = \$2540$; or*
- (b) an election under section 28 to use the 'minimum allowable apprentice or trainee amount'; ie $\$1070 \times 2 = \2140 .*

ABC Pty Ltd cannot use a combination of (a) and (b) to calculate net eligible training expenditure for the 1992 year.

Commissioner of Taxation

FOI INDEX DETAIL: Reference No.

Previously issued as Draft TGD 92D/1

Related Determinations:

Related Rulings:

Subject Ref: actual amount, apprentice, deemed amount, minimum allowable apprentice or trainee amount, trainee

Legislative Ref: TGAA Section 28

Case Ref:

ATO Ref: ALB/TG/TGR 2