



TD 2005/19W - Income tax: consolidation: does the phrase 'could be recognised in the joining entity's statement of financial position' in subsection 705-90(2) of Income Tax Assessment Act 1997 refer to the application of accounting policies consistent with the established accounting framework in preparing an entity's notional statement of financial position as at the joining time?

 This cover sheet is provided for information only. It does not form part of *TD 2005/19W - Income tax: consolidation: does the phrase 'could be recognised in the joining entity's statement of financial position' in subsection 705-90(2) of Income Tax Assessment Act 1997 refer to the application of accounting policies consistent with the established accounting framework in preparing an entity's notional statement of financial position as at the joining time?*

 This document has changed over time. This is a consolidated version of the ruling which was published on 17 November 2010



Notice of Withdrawal

Taxation Determination

Income tax: consolidation: does the phrase 'could be recognised in the joining entity's statement of financial position' in subsection 705-90(2) of *Income Tax Assessment Act 1997* refer to the application of accounting policies consistent with the established accounting framework in preparing an entity's notional statement of financial position as at the joining time?

Taxation Determination TD 2005/19 is withdrawn with effect from today.

1. Taxation Determination TD 2005/19 provides the Commissioner's view on the phrase 'could be recognised in the joining entity's statement of financial position' which was included in the former wording of subsection 705-90(2) of the *Income Tax Assessment Act 1997*. The Determination explains that the use of the word 'could' in subsection 705-90(2) is not to be interpreted as if the joining entity has additional choices in applying and adopting different accounting policies in determining the undistributed profit amount which are not provided for under the accounting framework.
2. Item 101 of Schedule 5 to the *Tax Laws Amendment (2010 Measures No. 1) Act 2010* amends the *Income Tax Amendment Act 1997* to remove the phrase 'that could be recognised in the joining entity's statement of financial position if that statement were prepared as at the joining time' from subsection 705-90(2) of the *Income Tax Assessment Act 1997*. On that basis TD 2005/19 is withdrawn.

Commissioner of Taxation

17 November 2010

ATO references

NO: 1-2DSWT3K

ISSN: 1038-8982

ATOlaw topic: Income Tax ~~ Consolidation ~~ tax cost setting amount