


***TD 2007/18A1 - Addendum - Income tax:  
consolidation: in applying the statutory cap in  
section 705-40 (tax cost setting amount for reset cost  
base assets held on revenue account) of the Income  
Tax Assessment Act 1997, does the definition of  
revenue asset in section 977-50 of that Act include  
any CGT asset, a hypothetical realisation of which  
would have an amount reflected in the joining entity's  
taxable income (disregarding the single entity rule),  
otherwise than solely as a capital gain or capital  
loss?***

 This cover sheet is provided for information only. It does not form part of *TD 2007/18A1 - Addendum - Income tax: consolidation: in applying the statutory cap in section 705-40 (tax cost setting amount for reset cost base assets held on revenue account) of the Income Tax Assessment Act 1997, does the definition of revenue asset in section 977-50 of that Act include any CGT asset, a hypothetical realisation of which would have an amount reflected in the joining entity's taxable income (disregarding the single entity rule), otherwise than solely as a capital gain or capital loss?*

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## Addendum

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### Taxation Determination

Income tax: consolidation: in applying the statutory cap in section 705-40 (tax cost setting amount for reset cost base assets held on revenue account) of the *Income Tax Assessment Act 1997*, does the definition of revenue asset in section 977-50 of that Act include any CGT asset, a hypothetical realisation of which would have an amount reflected in the joining entity's taxable income (disregarding the single entity rule), otherwise than solely as a capital gain or capital loss?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Taxation Determination TD 2007/18 to:

- update the reference from Subdivision 124-G of the *Income Tax Assessment Act 1997* to Division 615 as a result of legislative amendment, and
- update other references as required.

#### TD 2007/18 is amended as follows:

**1. Paragraph 7**

Before '7 ATR 757'; insert '(1977)'.

**2. Footnote 4**

Omit 'TR 2006/D12, when finalised, will set'; substitute 'TR 2007/7 sets'.

**3. Paragraph 15**

Omit 'Subdivision 124-G'; substitute 'Division 615'.

**4. Footnote 23**

Before '7 ATR 716'; insert '(1977)'.

# TD 2007/18

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## 5. Footnote 25

Before '15 ATD 173'; insert '(1968)'.

## 6. Related Rulings/Determinations

Omit 'TR 2006/D12'; substitute 'TR 2007/7'.

## 7. Legislative references

(a) Omit:

- ITAA 1997 6-1(1)
- ITAA 1997 Subdiv 124-G

(b) Insert:

- ITAA 1997
- ITAA 1997 Div 615
- ITAA 1997 705-30

## 8. Case references

- (a) Before '7 ATR 716'; insert '(1977)'.
- (b) Before '7 ATR 757'; insert '(1977)'.
- (c) Before '15 ATD 173'; insert '(1968)'.

This Addendum applies on and from 10 May 2011.

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### Commissioner of Taxation

18 February 2015

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#### ATO references

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Income Tax ~~ Consolidation ~~ tax cost setting amount

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