



***TD 93/19 - Income tax: if the Australian Taxation Office (ATO) approves an application to vary tax instalment deductions from salary and wages for a taxpayer who has invested in a negatively geared plan, does this also mean the investment plan has ATO approval ?***

 This cover sheet is provided for information only. It does not form part of *TD 93/19 - Income tax: if the Australian Taxation Office (ATO) approves an application to vary tax instalment deductions from salary and wages for a taxpayer who has invested in a negatively geared plan, does this also mean the investment plan has ATO approval ?*

 This document has changed over time. This is a consolidated version of the ruling which was published on 4 February 1993

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part IVA of the *Taxation Administration Act 1953*, is a public ruling for the purposes of that Part. Taxation Ruling TR 92/1 explains when a Determination is a public ruling and how it is binding on the Commissioner. Unless otherwise stated, this Determination applies to years commencing both before and after its date of issue. However, this Determination does not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of the Determination (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).

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## Taxation Determination

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**Income tax: if the Australian Taxation Office (ATO) approves an application to vary tax instalment deductions from salary and wages for a taxpayer who has invested in a negatively geared plan, does this also mean the investment plan has ATO approval ?**

1. No.
2. An approval to vary a taxpayer's instalment deductions does not mean the ATO has expressed an opinion on the taxation treatment of the negatively geared investment plan or any tax deductions that might flow from that plan.
3. Approval given under section 221D of the *Income Tax Assessment Act 1936* only allows a reduction in the amount of tax deducted from his/her salary/and wages based on his/her estimated net income in any one financial year.

### Example

*Taxpayer enters a negatively geared investment plan and applies for a variation for tax instalment deductions.*

*Approval is granted on the information provided by the taxpayer.*

*Taxpayer assumes the investment plan also has Taxation Office approval. However this is not correct, approval is only granted for the variation, not the plan.*

### Commissioner of Taxation

04/02/93

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Related Determinations:

Related Rulings:

Subject Ref: investment plan, negative gearing, tax instalment deductions variation

Legislative Ref: ITAA 221D

Case Ref:

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