



TD 95/26W - Income tax: can the value of an annuity contract be amortised over the effective life of the annuity and the amortisation expense deducted from the annuity income when calculating the separate net income of a dependant under section 159J of the Income Tax Assessment Act 1936 ?

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 This document has changed over time. This is a consolidated version of the ruling which was published on 5 April 2017



Notice of Withdrawal

Taxation Determination

Income tax: can the value of an annuity contract be amortised over the effective life of the annuity and the amortisation expense deducted from the annuity income when calculating the separate net income of a dependant under section 159J of the *Income Tax Assessment Act 1936*?

Taxation Determination TD 95/26 is withdrawn with effect from today.

1. TD 95/26 outlines that the value of an annuity contract can be amortised over the effective life of the annuity and the amortisation expense deducted from the annuity income when calculating the separate net income of a dependant under section 159J of the *Income Tax Assessment Act 1936*.
2. Section 159J has now been replaced by Subdivision 61-A of the *Income Tax Assessment Act 1997*. The concept of 'separate net income' does not exist under the new rules, and is replaced with the concept of 'adjusted taxable income for offsets'.
3. TD 95/26 has no ongoing relevance and is therefore withdrawn without replacement.

Commissioner of Taxation

5 April 2017

ATO references

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