



TR 2005/3W - Income tax: attributed personal services income that is foreign income - allowance of a foreign tax credit to an individual where foreign tax paid by a personal services entity

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 This document has changed over time. This is a consolidated version of the ruling which was published on *29 May 2013*



Notice of Withdrawal

Taxation Ruling

Income tax: attributed personal services income that is foreign income – allowance of a foreign tax credit to an individual where foreign tax paid by a personal services entity

Taxation Ruling TR 2005/3 is withdrawn with effect from today.

1. The ruling considers the circumstances in which attributed personal services income constitutes foreign income, and foreign tax paid on that income gives rise to a foreign tax credit for the purposes of the Foreign Tax Credit System. The ruling also considers whether such income could qualify for exemption under section 23AG of the *Income Tax Assessment Act 1936* (ITAA 1936).
2. The Foreign Tax Credit provisions were repealed and replaced by the Foreign Income Tax Offset provisions applicable in relation to income years, statutory accounting periods and notional accounting periods starting on or after 1 July 2008.
3. Each year the Australian Taxation Office (ATO) publishes the *Guide to foreign income tax offset rules* to provide guidance on the Foreign Income Tax Offset System.
4. Subsection 23AG(1AA) of the ITAA 1936 applies to foreign earnings derived on or after 1 July 2009 from foreign service performed on or after 1 July 2009, and limits the types of employment to which section 23AG can apply. Following the introduction of subsection 23AG(1AA), section 23AG will not apply to the types of employment which lead to attributed personal services income. This means that section 23AG will not apply to attributed personal services income because of the operation of subsection 23AG(1AA), as well as for the reasons set out in this Ruling.
5. Accordingly, TR 2005/3 is withdrawn as it is no longer current.

Commissioner of Taxation

29 May 2013

ATO references

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