IT 2128W - Withdrawal - Deductions of P.A.Y.E. tax instalments: director's fees

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Notice of Withdrawal

Taxation Ruling

Deductions of P.A.Y.E. tax instalments: director's fees

Taxation Ruling IT 2128 is withdrawn with effect from today.

- 1. Taxation Ruling IT 2128 explains that pay as you earn (PAYE) tax instalment deductions should be deducted from director's fees.
- 2. Subsection 221C(1A) of the *Income Tax Assessment Act* 1936 only applies to payments made prior to 30 June 2000. From 1 July 2000, a company must withhold an amount from a payment of remuneration to a company director under section 12-40 of Schedule 1 to the *Taxation Administration Act* 1953.
- 3. The Ruling does not have application to income tax years after the 1999-2000 income year.

Commissioner of Taxation

1 November 2006

ATO references

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ATOlaw topic: Income Tax ~~ Withholding Tax ~~ pay as you go

withholding