



## ***IT 227 - Forced disposal of livestock***

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This document has been Withdrawn.  
There is a [Withdrawal notice](#) for this document.

 This ruling contains references to repealed provisions, some of which may have been rewritten. The ruling still has effect. Paragraph 32 in [TR 2006/10](#) provides further guidance on the status and binding effect of public rulings where the law has been repealed or repealed and rewritten. The legislative references at the end of the ruling indicate the repealed provisions and, where applicable, the rewritten provisions.

TAXATION RULING NO. IT 227

FORCED DISPOSAL OF LIVESTOCK

F.O.I. EMBARGO: May be released

REF

H.O. REF: J.85/122 P5 F32

DATE OF EFFECT:

B.O. REF:

DATE ORIG. MEMO ISSUED: 13.07.81

F.O.I. INDEX DETAIL

REFERENCE NO:

SUBJECT REFS:

LEGISLAT. REFS:

I 1102629

LIVESTOCK

36AA

FORCED DISPOSAL

36AAA

COMPULSORY DESTRUCTION

SHEEP - FOOTROT AFFECTED

COMPENSATION

OTHER RULING ON TOPIC

IT 228

PREAMBLE

The question has been raised whether sections 36AA and 36AAA of the Income Tax Assessment Act apply to the proceeds arising from the sale of sheep affected with footrot disease.

RULING

2. Legislation in New South Wales relating to the control of disease in livestock does not provide for the compulsory destruction of footrot affected sheep. A grazier who finds footrot in his sheep generally has two courses open to him. One is to incur the expense of treating the disease; the other is to sell the sheep to an abattoir for immediate slaughter. Any decision to dispose of infected animals is made solely on the judgement of the owner. In these circumstances neither section 36AA nor section 36AAA would have any application to the proceeds of sale.

3. The situation is different in Victoria and South Australia. There is provision in the relevant legislation in both of these States for the compulsory destruction of footrot affected sheep. Section 33(3) of the Stock Disease Act of Victoria enables the Minister to require the owner of sheep within the footrot control area to sell for the purpose of slaughter any sheep in quarantine by reason of footrot or any sheep which in the opinion of the Chief Inspector have been exposed to infection with footrot. Similarly, under Regulation 34A of the Stock Diseases Act of South Australia, the Minister, if satisfied that any sheep have been quarantined by reason of footrot, or have, in the opinion of the Chief Inspector, been exposed to infection with footrot, may require the owner thereof to sell such sheep for the purposes of slaughter.

4. Both section 33(3) of the Stock Diseases Act of Victoria and Regulation 34A of the Stock Diseases Act of South Australia are accepted as laws for or in relation to the compulsory destruction of livestock. Proceeds from sales of sheep for slaughter in terms of either provision would attract

the operatiton of section 36AA or 36AAA. If the relevant legislation in the remaining States or Territories is to the same effect as that in Victoria and South Australia the same conclusion will follow.

COMMISSIONER OF TAXATION

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