


# ***IT 363A2 - Addendum - Mining company: application of Division 330 to principal and sub-contractors engaged in mining operations***

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# Addendum

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## Taxation Ruling

### Mining company: application of Division 330 to principal and sub-contractors engaged in mining operations

This Addendum amends Taxation Ruling IT 363 to reflect the changes to the law caused by the repeal of inoperative provisions.

#### **Taxation Ruling IT 363 is amended as follows:**

**1. Heading**

Omit 'Division 330'; substitute 'Subdivision 40-I of the *Income Tax Assessment Act 1997*'.

**2. Preamble**

Omit 'Division 330 deductions'; substitute 'deductions for mining capital expenditure under Subdivision 40-I of the *Income Tax Assessment Act 1997* (ITAA 1997)'.

**3. Paragraph 2**

Omit the paragraph; substitute:

2. It is accepted that the company is entitled to deductions for mining capital expenditure under Subdivision 40-I of the ITAA 1997 in respect of its operations at the mine. In this example the transport company carried out all the operations on the mining property for the recovery of the deposit being sought. If, however, a contractor merely transported, say, coal out of a mine, the activities would not be treated as mining operations and the contractor would not be entitled to deductions for mining capital expenditure under Subdivision 40-I of the ITAA 1997.

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## 4. Paragraph 3

- (a) Omit 'connexion'; substitute 'connection'.
- (b) Insert after the last sentence 'The same interpretation applies to deductions for mining capital expenditure under Subdivision 40-I of the ITAA 1997.'
- (c) Omit the note.

## 5. Legislation references

- (a) Omit:  
Division 10  
122
- (b) Insert:  
ITAA 1997 Subdiv 40-I

This Addendum applies on and from 30 April 2008.

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**Commissioner of Taxation**

30 April 2008

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ATO references

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