



***TD 2006/51A - Addendum - Income tax: can a dividend, or part of a dividend, be non-assessable non-exempt income under both section 23AJ and section 23AI 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 *10 November 2010*

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## Addendum

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### Taxation Determination

Income tax: can a dividend, or part of a dividend, be non-assessable non-exempt income under both section 23AJ and section 23AI of the *Income Tax Assessment Act 1936*?

This Addendum amends Taxation Determination TD 2006/51 to replace references to the foreign tax credit system with legislative references to the foreign income tax offset rules, which replaced the foreign tax credit system with effect from 1 July 2008.

**TD 2006/51 is amended as follows:**

**1. Paragraph 2**

- (a) Omit '1 July 2006'; substitute '1 July 2008'.
- (b) Omit '01/12/2006'; substitute '01/12/2008'.
- (c) Omit '01/07/06'; substitute '01/07/2008'.

**2. Paragraph 3**

Omit '1 December 2006'; substitute '1 December 2008'.

**3. Paragraph 5**

- (a) Omit 'foreign tax credit'; substitute 'foreign income tax offset'.
- (b) Omit 'section 160AFCD'; substitute 'section 770-10 of the ITAA 1997'.

**4. Paragraph 13**

Omit 'foreign tax credits'; substitute 'foreign income tax offsets'.

# TD 2006/51

## 5. Paragraph 15

- (a) Omit the first sentence; substitute:

Subsection 770-10(2) of the ITAA 1997 provides that a resident taxpayer receiving a non-assessable non-exempt income under either section 23AI or 23AK of the ITAA 1936 will be entitled to a non-refundable tax offset for foreign income tax paid on the distribution.

- (b) Omit 'foreign tax credit'; substitute 'foreign income tax offset'.

## 6. Paragraph 19

Omit 'foreign tax credits'; substitute 'foreign income tax offsets'.

## 7. Paragraph 22

- (a) Omit 'section 160AFCD'; substitute 'section 770-10 of the ITAA 1997'.  
(b) Omit 'foreign tax credit'; substitute 'foreign income tax offset'.

## 8. Legislative references

Omit:

- ITAA 1936 160AF(1)(a)
- ITAA 1936 160AFCD

Insert:

- ITAA 1997 770-10
- ITAA 1997 770-10(2)

This Addendum applies on and from 1 July 2008.

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**Commissioner of Taxation**

TBA

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ATO references

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ATOLaw topic: Income Tax ~~ Exempt income ~~ controlled foreign companies