

TD 1993/14W - Income tax: can a payment in lieu of notice, on termination of employment, be treated as a bona fide redundancy payment?



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This document has changed over time. This is a consolidated version of the ruling which was published on *22 April 2009*



Notice of Withdrawal

Taxation Determination

Income tax: can a payment in lieu of notice, on termination of employment, be treated as a bona fide redundancy payment?

Taxation Determination TD 93/14 is withdrawn with effect from today.

1. Taxation Determination TD 93/14 sets out the factors that needed to be met for a payment in lieu of notice to be a bona fide redundancy under section 27F of the *Income Tax Assessment Act 1936* (ITAA 1936).
2. Section 27F of the ITAA 1936 has been repealed by the *Superannuation Legislation Amendment (Simplification) Act 2007* and replaced with the equivalent section 83-175 of the *Income Tax Assessment Act 1997* (ITAA 1997) which describes what a genuine redundancy payment is (formerly called a bona fide redundancy payment).
3. Taxation Ruling TR 2009/2 Income tax: genuine redundancy payments now provides the Commissioner's view on the operation of section 83-175 of the ITAA 1997 on what a genuine redundancy payment is. In particular, paragraphs 10 to 54 and 233 to 312 of TR 2009/2 discuss the requirements that must be met for an employment termination payment, or part of it, to be treated as a genuine redundancy payment. As this Determination is no longer required, it is withdrawn.

Commissioner of Taxation

22 April 2009

ATO references

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ATOlaw topic: Income Tax ~~ Assessable income ~~ eligible termination payments