



***TD 98/21 - Income tax: what is the benchmark interest rate applicable for the year of income commencing on 1 July 1998 for the purposes of Division 7A of Part III of the Income Tax Assessment Act 1936 ('the Act')?***

 This cover sheet is provided for information only. It does not form part of *TD 98/21 - Income tax: what is the benchmark interest rate applicable for the year of income commencing on 1 July 1998 for the purposes of Division 7A of Part III of the Income Tax Assessment Act 1936 ('the Act')*?

 This document has changed over time. This is a consolidated version of the ruling which was published on *28 October 1998*

---

# Taxation Determination

---

**Income tax: what is the benchmark interest rate applicable for the year of income commencing on 1 July 1998 for the purposes of Division 7A of Part III of the *Income Tax Assessment Act 1936* ('the Act')?**

## Preamble

The number, subject heading, date of effect and paragraphs 1 and 2 of this Taxation Determination are a 'public ruling' for the purposes of Part IVAAA of the *Taxation Administration Act 1953* and are legally binding on the Commissioner. Taxation Rulings TR 92/1 and TR 97/16 together explain how a Determination is legally or administratively binding.

## Date of effect

This determination applies to the 1998-1999 financial year.

1. For the year of income commencing 1 July 1998, the **benchmark interest rate** for the purposes of sections 109N and 109E of the Act is 6.7% per annum.
2. The **benchmark interest rate** for the year of income commencing 1 July 1998 is relevant for loans made, or deemed to have been made, between 4 December 1997 and 30 June 1998.

## Commissioner of Taxation

28 October 1998

FOI INDEX DETAIL: [Reference No.](#) I 1017743

Not previously issued in draft form

[Related Determinations:](#) TD 98/22

[Related Rulings:](#)

[Subject Ref:](#) deemed dividends; private company distributions

[Legislative Ref:](#) ITAA 109E; ITAA 109N

[Case Ref:](#)

[ATO Ref:](#) NAT 98/10780-1

---

ISSN 1038 - 8982