


# ***TR 97/1W - Income tax: Commonwealth benefits received by nursing homes***

 This cover sheet is provided for information only. It does not form part of *TR 97/1W - Income tax: Commonwealth benefits received by nursing homes*

 This document has changed over time. This is a consolidated version of the ruling which was published on *30 May 2012*



# Notice of Withdrawal

---

## Taxation Ruling

### Income tax: Commonwealth benefits received by nursing homes

Taxation Ruling TR 97/1 is withdrawn with effect from today.

1. The Ruling addressed the assessability of 'general care' benefits and 'capital funding' benefits paid to nursing home proprietors under Part VA of the *National Health Act 1953* (NHA) and clarified in what year of income those benefits were assessable under former subsection 25(1) and/or paragraph 26(g) of the *Income Tax Assessment Act 1936*. The ruling refers to inoperative provisions which have been repealed with effect from 14 September 2006.
2. The structure of Commonwealth funding for residential aged care services has changed significantly since the Ruling issued on 22 January 1997. The categories of 'general care' benefits and 'capital funding' benefits no longer exist and funding is now provided under the *Aged Care Act 1997*. The principles governing the timing of derivation of income from government grants are covered adequately in TR 2006/3.
3. The Ruling is withdrawn without replacement.

---

**Commissioner of Taxation**

30 May 2012

---

ATO references

NO: 1-22W5N44

ISSN: 1039-0731

ATOlaw topic: Income Tax -- Assessable income -- when income derived