

## **FEBRUARY 2018 TAX UPDATE**

### **ANNOUNCEMENTS**

- Comr's view of Whitby Land Company case on alternative trustee assessments
- Comr's view of Lewski case on trust distributions
- ATO private rulings now on ATO Legal database, but ATO to relocate them after obtaining feedback
- ANAO report says ATO effectively uses settlements
- ATO audits: the how, what, when and why
- The cash economy: Minister urges use of ATO confidential "dob in" line
- Allocation of profits within professional firms and Everett assignments: ATO suspends guidelines
- 2017-18 MYEFO: tax receipts expected to increase, especially company and super fund tax
- ATO seeking feedback on trusts that have vested
- Div 7A: ATO set to finalise Draft Determination TD 2017/D3
- Super death benefit nominations: ASIC warns advisers not to "cut corners"

### **RULINGS AND GUIDELINES**

- Trust vesting - amending vesting date and consequences of a trust vesting - Draft Taxation Ruling TR 2017/D10
- Interest incurred by discretionary object on borrowings on-lent to trustee interest-free Draft Taxation Determination TD 2017/D4
- Transfer pricing post-Chevron: cross-border related party financing - Practical Compliance Guideline PCG 2017/4
- FBT: exempt car and residual benefits - determining private use of vehicles - Draft Practical Compliance Guideline PCG 2017/D14

### **LEGISLATION**

- Bills receive Royal Assent; First Home Super Saver; "downsizing" super contributions
- Superannuation tax integrity measures for LRBAs and NALI - draft legislation and paper released
- Protecting super: draft legn released – unpaid SG; extend STP; super fund reporting; etc

## CASES

- Default assessments of \$3.6m for amounts related to litigation funding services upheld - XGLF and FCT [2017] AATA 2725
- SMSF investment in property trust breached sole purpose test and in-house asset rules - Aussiegolfa Pty Ltd (Trustee) v FCT
- Default assessments upheld on cash withdrawals from gold trading companies - BXCD and FCT [2017] AATA 2826
- Nil assessments not reviewable - taxpayers part of consolidated group - WLQC and FCT [2018] AATA 14
- Shares issued under company restructure and IPO lead to \$3.6m in assessable income - De Figueiredo and FCT [2018] AATA 62
- ATO ordered to produce internal legal advice - ACN 154 520 199 Pty Ltd and FCT [2018] AATA 33