



Income Tax Act 2007

2007 CHAPTER 3

PART 16

INCOME TAX ACTS DEFINITIONS ETC

CHAPTER 1

DEFINITIONS

998 Meaning of “grossing up”

- (1) In the Income Tax Acts references to grossing up by reference to a rate of tax are to calculating the amount (“the grossed up amount”) which after deduction of income tax at that rate would equal the amount to be grossed up (“the net amount”).
- (2) The grossed up amount is the sum of the net amount and the tax deducted.
- (3) The grossed up amount may also be expressed as—

$$GA = NA + \left(NA \times \frac{R}{100 - R} \right)$$

where—

GA is the grossed up amount,

NA is the net amount, and

R is the percentage rate of tax by reference to which the net amount is to be grossed up.

Status:

Point in time view as at 06/04/2007. This version of this provision has been superseded.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 998.