

Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments

[AASB 1]



Australian Government

**Australian Accounting
Standards Board**

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This Standard is available on the AASB website: www.aasb.gov.au.

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Australian Accounting Standard AASB 2017-4 *Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments* is set out in page 5. All the paragraphs have equal authority.

Preface

Standards amended by AASB 2017-4

This Standard makes amendments to AASB 1 *First-time Adoption of Australian Accounting Standards* (July 2015, as amended).

Main features of this Standard

Main requirements

This standard amends AASB 1 to add paragraphs arising from AASB Interpretation 23 *Uncertainty over Income Tax Treatments*.

Application date

This Standard applies to annual periods beginning on or after 1 January 2019. Earlier application is permitted.

Accounting Standard AASB 2017-4

The Australian Accounting Standards Board makes Accounting Standard AASB 2017-4 *Amendments to Australian Accounting Standards - Uncertainty over Income Tax Treatments* under section 334 of the *Corporations Act 2001*.

Kris Peach

Dated 31 July 2017

Chair – AASB

Accounting Standard AASB 2017-4 *Amendments to Australian Accounting Standards - Uncertainty over Income Tax Treatments*

Objective

This Standard amends AASB 1 *First-time Adoption of Australian Accounting Standards* as a consequence of the issuance of IFRIC Interpretation 23 *Uncertainty over Income Tax Treatments* by the International Accounting Standards Board in June 2017.

Application

The amendments set out in this Standard apply to entities and financial statements in accordance with the application of the other Standards set out in AASB 1057 *Application of Australian Accounting Standards* (as amended).

This Standard applies to annual periods beginning on or after 1 January 2019. Earlier application is permitted.

Amendments to AASB 1

Paragraph 39AF is added.

39AF AASB 2017-4 *Amendments to Australian Accounting Standards - Uncertainty over Income Tax Treatments* added paragraph E8. An entity shall apply that amendment when it applies AASB Interpretation 23 *Uncertainty over Income Tax Treatments*, as identified in AASB 1048 *Interpretation of Standards*.

In Appendix E, a heading and paragraph E8 are added.

Uncertainty over income tax treatments

E8 A first-time adopter whose date of transition to Australian Accounting Standards is before 1 July 2017 may elect not to reflect the application of AASB Interpretation 23 *Uncertainty over Income Tax Treatments*, as identified in AASB 1048 *Interpretation of Standards*, in comparative information in its first IFRS financial statements. An entity that makes that election shall recognise the cumulative effect of applying Interpretation 23 as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of its first IFRS reporting period.

Commencement of the legislative instrument

For legal purposes, this legislative instrument commences on 31 December 2018.