

D Capital gains tax worksheets

Notes where choosing the indexation method

You can make copies of the worksheets that follow these notes. Use a separate worksheet for each separate asset or parcel of shares or units.

Description of asset

For example, 'Parcel of 1000 shares in XYZ Ltd'.

Type of asset

Tick the box that applies.

Column 1: Date incurred

The date that you incur a cost is generally the date on which you make the payment.

Column 2: Description of expenditure

The cost base of an asset includes the 5 elements listed below. See page 5 for further information.

- The cost of acquiring the asset.
- Incidental costs of acquiring the asset or of the CGT event.
- Non-capital costs of ownership if the asset was acquired after 21 August 1991.
- Capital expenditure on any improvements that are reflected in the asset at the time of the CGT event.
- Capital expenditure on maintaining title or rights to the asset.

Column 3: Amount

This information will be recorded on the documents and receipts relating to the expenditure.

Column 4: Amount to be deducted for cost base

Expenditure that you have deducted or can deduct does not form part of the cost base. This applies to all expenditure on assets acquired after 13 May 1997. Prior to that date you need to exclude from incidental costs and non-capital costs of ownership any amounts that you have deducted or could deduct. Any amounts that you have received as recoupment of expenditure also do not form part of the cost base—for example, an insurance payment in respect of the expense. For more information see pages 5–6.

Column 5: Net amount

The amount in Column 3 minus the amount in Column 4.

Column 6: CPI figure

Write the CPI figure for the quarter of the year in which you incurred the relevant cost. This figure is used to adjust the different elements of the cost base to allow for inflation. Only expenditure incurred at or before 11.45 a.m. on 21 September 1999 may be indexed for inflation. See page 64 for a list of CPI figures.

Note:

- You cannot index non-capital costs of ownership.
- The cost base includes indexation only if you have owned the asset for 12 months or more. There are some exceptions—for example, assets inherited from a deceased estate.

Column 7: Indexation factor

For the 1999–2000 and later income years, divide the CPI figure for the quarter ending on 30 September 1999 by the CPI figure for the quarter in which you incurred the cost. Round the figure to 3 decimal places. If the fourth decimal place is 5 or more, round your answer up.

Column 8: Cost base

To index each cost, multiply the amount in column 5 by the indexation factor in column 7.

Column 9: Amount to be deducted for reduced cost base

The reduced cost base does not include an amount that you have deducted or can deduct. Any amounts that you have received as recoupment of expenditure also do not form part of the reduced cost base. However, the amounts will form part of the reduced cost base if you have included them in your assessable income. See *Reduced cost base* on page 8.

Column 10: Balancing adjustment

This is any amount included in your assessable income for any income year because of a balancing adjustment for the asset. Refer to *Reduced cost base* on page 8 for more information.

Column 11: Reduced amount

Take away the amount in column 9 from the amount in column 3. Then add to this figure the amount in column 10.

TOTALS

Cost base

Total of the amounts in column 8.

Reduced cost base

Total of the amounts in column 11.

Note:

Commercial debt forgiveness rules may affect your cost base and reduced cost base. See *Debt forgiveness* on page 15.

Date of CGT event

- If you disposed of an asset to someone else, say, under a contract, it is the date the contract was made.
- If the asset was lost or destroyed, it is the date you received compensation.
- If you do not receive any compensation, it is the date when the loss is discovered or the destruction occurred.

For more information, see the section *What is a CGT event?* on pages 1–2.

Capital proceeds

Capital proceeds from a CGT event are the money and the value of other property you received or are entitled to receive when the CGT event happened.

Capital gains tax worksheet – indexation method

To assist you to work out your capital gains tax liability, use the worksheet to record all costs that you incur for the CGT asset. Complete columns 1, 2 and 3 when you incur the costs. When the CGT event happens, complete the other columns to arrive at the amount of capital gain or loss. Use a separate worksheet for each asset.

Note: The capital gain or loss from a personal use asset acquired for \$10 000 or less or from a collectable acquired for \$500 or less is disregarded.

Description of asset:			Type: Collectable <input type="checkbox"/>			Personal use asset <input type="checkbox"/>			Other asset <input type="checkbox"/>	
1 Date Incurred	2 Description of expenditure	3 Amount	4 Amount to be deducted from col 3 for cost base	5 Net amount	6 CPI figure	7 Indexation factor	8 Cost base (col 5 X col 7)	9 Amount to be deducted from col 3 for reduced cost base	10 Balancing adjustment	11 Reduced amount (col 3 – col 9 + col 10)
Cost base								Reduced cost base		
Date of CGT event:			CPI for quarter:			Capital proceeds:				

If asset owned less than 12 months

Capital proceeds	\$
Less cost base	\$
Capital gain	\$

If asset owned for 12 months or more

Capital proceeds	\$
Less cost base (including indexation)	\$
Capital gain	\$

If reduced cost base exceeds capital proceeds

Reduced cost base	\$
Less capital proceeds	\$
Capital loss	\$

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If reduced cost base exceeds capital proceeds

Reduced cost base	\$
Less capital proceeds	\$
Capital loss	\$

Notes where choosing the CGT discount method

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Description of asset

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Column 5: Net amount

The amount in Column 3 minus the amount in Column 4.

Column 6: Amount to be deducted for reduced cost base

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Column 7: Balancing adjustment

This is any amount included in your assessable income for any income year because of a balancing adjustment for the asset. Refer to *Reduced cost base* on page 8 for more information.

Column 8: Reduced amount

Take away the amount in column 6 from the amount in column 3. Then add to this figure the amount in column 7.

TOTALS

Cost base

Total of the amounts in column 5.

Reduced cost base

Total of the amounts in column 8.

Note:

Commercial debt forgiveness rules may affect your cost base and reduced cost base. See *Debt forgiveness* on page 15.

Date of CGT event

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Cost base					Reduced cost base		

Capital proceeds exceed capital gain and asset owned less than 12 months

Capital proceeds	\$
Less cost base	\$
Capital gain	\$

Capital proceeds exceed capital gain and asset owned at least 12 months

Capital proceeds	\$
Less cost base	\$
Discount capital gain (eligible for 50% discount)	\$

If reduced cost base exceeds capital proceeds

Reduced cost base	\$
Less capital proceeds	\$
Capital loss	\$

Capital gains tax worksheet – CGT discount method

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Capital gain	\$

Capital proceeds exceed capital gain and asset owned at least 12 months

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Less cost base	\$
Discount capital gain (eligible for 50% discount)	\$

If reduced cost base exceeds capital proceeds

Reduced cost base	\$
Less capital proceeds	\$
Capital loss	\$