



**Australian
Taxation
Office**

TAXATION RULING IT 167

ADDENDUM

F.O.I. EMBARGO: may be released

Taxation Ruling IT 167 is amended by the addition of the following two paragraphs:

"12. The provisions of Part IIIA of the *Income Tax Assessment Act 1936* relate to capital gains and capital losses. With some limited exceptions, the provisions deem a capital gain or a capital loss to accrue to a taxpayer upon the disposal, on or after 20 September 1985, of any asset that was acquired on or after that date. Winnings from betting, a lottery or other form of gambling or a game with prizes are generally assets for the purposes of Part IIIA. But subsection 160ZB(2) provides that a capital gain shall not be taken to have accrued to a taxpayer by reason of the taxpayer having received such winnings.

13. However, where a taxpayer subsequently disposes of property that constituted winnings, a capital gain or capital loss may accrue to the taxpayer as a result of the disposal of that asset, ie., the provisions of Part IIIA will have their normal effect in such circumstances. Taxation Ruling IT 2584 discusses some aspects of the interpretation and operation of these provisions within the broader framework of Part IIIA."

Commissioner of Taxation

15 December 1994

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