



# ***TD 21 - Capital Gains: What is the date of disposal of shares when a company is liquidated?***

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 This document has changed over time. This is a consolidated version of the ruling which was published on *31 October 1991*

*CGT Cell Determinations do not have the force of law, but can be relied upon as being the considered view of the ATO. Unless otherwise stated, the view expressed may be applied to transactions entered into both before and after the date of issue of the Determination.*

## CGT Determination Number 21

### Capital Gains: What is the date of disposal of shares when a company is liquidated?

#### Determination

1. When a company is liquidated (or wound up), the members of the company are taken to have disposed of their shares when the company is dissolved.
2. Where a company is wound up by an order of a Court, and the liquidator has obtained from the Court an order that the company be dissolved, the company is dissolved from the date of the order (Corporations Act 1989, section 481).
3. Where a company is wound up voluntarily, the company is dissolved three months after the lodging of the return of the final meeting of members and/or creditors, or on such other date as the Court may order (Corporations Act, section 509).

COMMISSIONER OF TAXATION

31 October 1991

Subject Ref: Disposal of shares  
Liquidation of company  
Legislative Ref: ATO Ref: CGT Cell

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