

TD 26 - Capital Gains: Where a pre-CGT lease is renewed post-CGT, what is the time of acquisition of the new lease?

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 This ruling contains references to repealed provisions, some of which may have been rewritten. The ruling still has effect. Paragraph 32 in [TR 2006/10](#) provides further guidance on the status and binding effect of public rulings where the law has been repealed or repealed and rewritten. The legislative references at the end of the ruling indicate the repealed provisions and, where applicable, the rewritten provisions.

 This document has changed over time. This is a consolidated version of the ruling which was published on *29 November 2006*

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 26

Capital Gains: Where a pre-CGT lease is renewed post-CGT, what is the time of acquisition of the new lease?

Determination

1. Section 160ZU provides that the renewal of a lease is deemed for CGT purposes to constitute the grant by the lessor of a new lease that took effect immediately after the time when the original lease would, but for the renewal, have expired.
2. Where a lease granted pre-CGT is renewed post-CGT, the new lease which the lessee owns is taken to have been acquired post-CGT. Any subsequent disposal of the new lease by the lessee may be subject to the CGT provisions .

COMMISSIONER OF TAXATION

31 October 1991

FOI INDEX DETAIL: Reference No. CGT 26

Subject Ref: Renewal of a lease

Legislative Ref: 160ZU. ATO Ref: N.O. TLG CGT 290591

ISSN 1037 - 1419