



# ***TD 56W - Capital gains: what are the CGT consequences of a lessee incurring capital expenditure on improvements to leased property?***

 This cover sheet is provided for information only. It does not form part of *TD 56W - Capital gains: what are the CGT consequences of a lessee incurring capital expenditure on improvements to leased property?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *28 October 1998*

## Notice of Withdrawal

### **Capital gains: what are the CGT consequences of a lessee incurring capital expenditure on improvements to leased property?**

1. Taxation Determination TD 56 is withdrawn with effect from today. It is replaced by Taxation Determination TD 98/23, which applies to capital expenditure on improvements to leased property incurred by a lessee both before and after the beginning of the 1998-99 income year.
2. There is no material change from the views that were expressed in TD 56. However, TD 98/23 includes a reference to the cost base recoupment provision (subsection 110-25(8) of the *Income Tax Assessment Act 1997*), which now includes a change made to clarify that a recoupment of expenditure cannot both reduce the cost base and be included in assessable income. The change adopts the Commissioner's interpretation of the old law.

**Commissioner of Taxation**

28 October 1998

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