



***TD 92/129 - Income tax: capital gains: when do you acquire your ownership interest in land for the purposes of paragraph 118-150(4)(b) of the Income Tax Assessment Act 1997 if you acquired ownership interests in the land at different times after 19 September 1985?***

 This cover sheet is provided for information only. It does not form part of *TD 92/129 - Income tax: capital gains: when do you acquire your ownership interest in land for the purposes of paragraph 118-150(4)(b) of the Income Tax Assessment Act 1997 if you acquired ownership interests in the land at different times after 19 September 1985?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *24 March 2010*

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part IVAAA of the *Taxation Administration Act 1953*, is a public ruling for the purposes of that Part. Taxation Ruling TR 92/1 explains when a Determination is a public ruling and how it is binding on the Commissioner. Unless otherwise stated, the Determination applies to transactions entered into both before and after its date of issue.

[Note: This is a consolidated version of this document. Refer to the Tax Office Legal Database (<http://law.ato.gov.au>) to check its currency and to view the details of all changes.]

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## Taxation Determination

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Income tax: capital gains: when do you acquire your ownership interest in land for the purposes of paragraph 118-150(4)(b) of the *Income Tax Assessment Act 1997* if you acquired ownership interests in the land at different times after 19 September 1985?

1. For the purpose of applying paragraph 118-150(4)(b) of the *Income Tax Assessment Act 1997* (ITAA 1997)<sup>1</sup> you acquire your ownership interest in the land when the earliest interest was acquired.

*Example:*

*Block A was purchased 1 October 1985. Block B, the neighbouring block, was purchased 1 October 1990. On 1 January 1991 construction commenced on a dwelling which straddled both blocks. On 1 July 1991, the taxpayer moved into this dwelling as his or her main residence, and continued to reside there until the dwelling was disposed of. At no time was the dwelling used for income-producing purposes.*

If the taxpayer chooses for section 118-150 to apply, the taxpayer is taken to have acquired their ownership interest in the land for the purposes of paragraph 118-150(4)(b) on 1 October 1985. As the period from this date until the dwelling became the taxpayer's main residence is greater than 4 years, paragraph 118-150(4)(a) applies to treat the dwelling as the taxpayer's main residence only from 1 July 1987 to 30 June 1991.

**Commissioner of Taxation**

23/07/92

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<sup>1</sup> All legislative references are to the ITAA 1997 unless indicated otherwise.