



# ***TD 93/2W - Income tax: capital gains: how is the 'net value' of a business determined for the purposes of section 160ZZR?***

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 This document has changed over time. This is a consolidated version of the ruling which was published on *19 May 2004*



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# Notice of Withdrawal

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## Taxation Determination

Income tax: capital gains: how is the 'net value' of a business determined for the purposes of section 160ZZR?

Taxation Determination TD 93/2 is withdrawn with effect from today.

1. Taxation Determination TD 93/2 clarified the meaning of 'net value' of a business for the purposes of section 160ZZR of the *Income Tax Assessment Act 1936* (ITAA 1936) because the provision contained no definition of 'net value'. Section 160ZZR reduced the capital gain attributable to the disposal of the goodwill of a business by half.
2. When section 160ZZR of the ITAA 1936 was rewritten as section 118-250 of the *Income Tax Assessment Act 1997* (ITAA 1997), the term 'net value' of a business was defined in subsection 995-1(1) of the ITAA 1997 consistently with the approach taken in TD 93/2.
3. The goodwill exemption ceased to apply in relation to CGT events that happened after 11.45 am by legal time in the ACT, on 21 September 1999.
4. For these reasons this Taxation Determination is no longer necessary.

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**Commissioner of Taxation**

19 May 2004

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ATO references

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