TD 93/81W - Income tax: capital gains: a taxpayer owns pre-CGT land and trees. The taxpayer sells timber according to two post-CGT contracts: a contract for granting the purchaser of the timber the right to enter the taxpayer's property over a period of time and remove timber as and when required; and a contract for the sale of the uncut timber. How is the sale treated for capital gains tax purposes?

This cover sheet is provided for information only. It does not form part of *TD 93/81W - Income tax: capital gains: a taxpayer owns pre-CGT land and trees. The taxpayer sells timber according to two post-CGT contracts: a contract for granting the purchaser of the timber the right to enter the taxpayer's property over a period of time and remove timber as and when required; and a contract for the sale of the uncut timber. How is the sale treated for capital gains tax purposes?*

TD 93/81 has been withdrawn as part of a project to review public rulings.

This document has changed over time. This is a consolidated version of the ruling which was published on *31 October 2018*

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Notice of Withdrawal

Taxation Determination

Income tax: capital gains: a taxpayer owns pre-CGT land and trees. The taxpayer sells timber according to two post-CGT contracts:

- a contract for granting the purchaser of the timber the right to enter the taxpayer's property over a period of time and remove timber as and when required; and
- a contract for the sale of the uncut timber.

How is the sale treated for capital gains tax purposes?

Taxation Determination TD 93/81 is withdrawn with effect from today.

1. TD 93/81 explains that for CGT purposes the transactions of a grant of a right to remove timber and the sale of the timber over two separate contracts together constitute the granting of a profit à prendre.

2. TD 93/81 is being withdrawn to form part of a consolidated Determination on the tax treatment of the grant of an easement, profit à prendre or licence over an asset.

3. The issue covered by TD 93/81 is now covered in Taxation Determination TD 2018/15 *Income tax: capital gains: does CGT event D1 happen if a taxpayer grants an easement, profit à prendre or licence over an asset?*

Commissioner of Taxation
31 October 2018

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