



TD 96/31W - Income tax: capital gains: for the 1996-97 income year: (a) what is the indexation factor for section 160ZZR (exemption of part of gain attributable to goodwill) of the Income Tax Assessment Act 1936 ; and (b) what is the associated exemption threshold?

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 This document has changed over time. This is a consolidated version of the ruling which was published on *24 November 2004*



Notice of Withdrawal

Taxation Determination

Income tax: capital gains: for the 1996-97 income year:

- (a) what is the indexation factor for section 160ZZR (exemption of part of gain attributable to goodwill) of the *Income Tax Assessment Act 1936*; and
- (b) what is the associated exemption threshold?

Taxation Determination TD 96/31 is withdrawn with effect from today.

1. Taxation Determination TD 96/31 notified taxpayers of the goodwill exemption threshold for the 1996-97 income year, and its associated indexation factor, as required by subsection 160ZZRAA(7) of the *Income Tax Assessment Act 1936*.
2. The calculation of the exemption threshold and indexation factor under section 160ZZRAA was relevant for the purposes of section 160ZZR, which reduced the capital gain attributable to the disposal of the goodwill of a business by half. Section 160ZZRAA was subsequently rewritten, together with the other goodwill exemption provisions, in Subdivision 118-C of the *Income Tax Assessment Act 1997* (the indexation factor was rewritten in Subdivision 960-M of the *Income Tax Assessment Act 1997*).
3. The goodwill exemption ceased to apply in relation to CGT events that happened after 11.45 am, by legal time in the Australian Capital Territory, on 21 September 1999.
4. For these reasons, this Taxation Determination is no longer necessary.

Commissioner of Taxation

24 November 2004

ATO references

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