TD 98/14 - Income tax: capital gains: what is the business exemption threshold for the 1998-99 income year under section 118-260 of the Income Tax Assessment Act 1997 ?

Taxation Determination

Income tax: capital gains: what is the business exemption threshold for the 1998-99 income year under section 118-260 of the *Income Tax Assessment Act 1997*?

Preamble

The number, subject heading, date of effect and paragraphs 1 to 4 of this Taxation Determination are a 'public ruling' for the purposes of Part IVAAA of the *Taxation Administration Act 1953* and are legally binding on the Commissioner. Taxation Rulings TR 92/1 and TR 97/16 together explain when a Determination is a public ruling and how it is binding on the Commissioner.

Date of effect

This Determination applies for the 1998-99 income year.

1. For the 1998-99 income year, the business exemption threshold is **$2,248,000**.

2. The business exemption threshold is determined for the purposes of section 118-250 (about exempting part of a capital gain attributable to goodwill).

3. The business exemption threshold is required by subsection 118-260(2) to be indexed annually in accordance with Subdivision 960-M.

4. This Determination is published, as subsection 118-260(3) requires, before the 1998-99 financial year begins.

Commissioner of Taxation
26 June 1998

FOI INDEX DETAIL: Reference No. I 1015694 Not previously released in draft form

Related Determinations: TD 94/57; TD 95/24; TD 96/31; TD 97/13

Related Rulings:

Subject Ref: business exemption threshold; capital gains; exemption; goodwill; indexation; threshold

Legislative Ref: ITAA97 118-C; ITAA97 118-260; ITAA97 118-260(2); ITAA97 118-260(3); ITAA97 960-M; ITAA97 960-270; ITAA97 960-275; ITAA97 960-280

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