

TD 14 - Capital Gains: Will payments made under Accident & Health Assurance policies be exempt from CGT?

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CGT Determination Number 14

Capital Gains: Will payments made under Accident & Health Assurance policies be exempt from CGT?

Determination

Payments made to the holders of such policies in respect of personal injuries to themselves are regarded as "compensation" and will not give rise to either capital gains or losses (subsection 160ZB(1)).

2. This treatment will also apply to payments made to a trustee for a taxpayer who has been injured.

Note: Workers Compensation payments may be taxed as ordinary income.

COMMISSIONER OF TAXATION

10 September 1991

FOI INDEX DETAIL: Reference No. CGT 14

Subject Ref: Exemption

Accident & Health Assurance policies

Compensation payments

Legislative Ref: 160ZB(1)

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