


TD 41 - Capital Gains: What are the CGT consequences where an asset is disposed of for cash and other property?

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 This ruling contains references to repealed provisions, some of which may have been rewritten. The ruling still has effect. Paragraph 32 in [TR 2006/10](#) provides further guidance on the status and binding effect of public rulings where the law has been repealed or repealed and rewritten. The legislative references at the end of the ruling indicate the repealed provisions and, where applicable, the rewritten provisions.

 This document has changed over time. This is a consolidated version of the ruling which was published on *29 November 2006*

CGT Cell Determinations do not have the force of law, but can be relied upon as being the considered view of the ATO. Unless otherwise stated, the view expressed may be applied to transactions entered into both before and after the date of issue of the Determination.

CGT Determination Number 41

Capital Gains: What are the CGT consequences where an asset is disposed of for cash and other property?

Determination

1. Where the consideration received in respect of the disposal of an asset is money and property other than money, the consideration is the sum of the money and the market value of the property acquired at the time of disposal of the asset (paragraph 160ZD(1)(c)).

Example:

A taxpayer owns 200 shares in XYZ Ltd. These shares are worth \$2.00 each.

ABC Ltd. offers to acquire each share in XYZ Ltd. for 1 share in ABC Ltd. and 75 cents cash. The shares in ABC Ltd. are valued at \$1.25 each. The taxpayer receives 200 shares in ABC Ltd. and \$150 cash.

The disposal consideration in respect of each share in XYZ Ltd. is \$2.00.

(The cost base of each share in ABC Ltd. includes the acquisition consideration of \$1.25.)

COMMISSIONER OF TAXATION

5 March 1992

FOI INDEX DETAIL: Reference No. CGT 41

Subject Ref: Disposal consideration ; cash & property; Takeover offers

Legislative Ref: 160ZD(1)(c) ATO Ref: CGT Cell; CGT 39

ISSN 1037 - 1419