

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**!** TD 93/81 has been withdrawn as part of a project to review public rulings.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



## Notice of Withdrawal

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### 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Taxation Determination TD 93/81 is withdrawn with effect from today.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 TD 93/81 is being withdrawn to form part of a consolidated Determination on the tax treatment of the grant of an easement, profit à prendre or licence over an asset.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?*

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**Commissioner of Taxation**  
31 October 2018

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ATO references

NO: 1-A61P18P  
ISSN: 2205-6211

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