TEAR ALONG DOTTED LINE

CAPITAL GAIN OR LOSS WORKSHEET

This worksheet helps you calculate a capital gain for each CGT asset or any other CGT event[1] using the indexation method[2], the discount method[3] and/or the 'other' method. It also helps you calculate a capital loss.

CGT asset type or CGT event

Shares and units (in unit trusts) ☐ Other CGT assets and any other CGT events[4] ☐
Real estate ☐ Collectables[5] ☐

Description of CGT asset or CGT event

Date of acquisition / / **Date of CGT event** / /

Elements of the cost base or reduced cost base	1 Amount	2 Amounts to be deducted for cost base[9]	3 Cost base (1 – 2)	4 Amounts to be deducted for reduced cost base[9]	5 Reduced cost base[9] (1 – 4)	6 Indexation factor[10]	7 Cost base indexed (3 x 6)
Acquisition or purchase cost of the CGT asset[6]							
Incidental costs to acquire the CGT asset							
Incidental costs that relate to the CGT event[7]							
Non-capital costs of ownership of the CGT asset[8]							
Capital expenditure to increase the asset's value that is reflected in the state or nature of the CGT asset at the time of the CGT event							
Capital costs to establish, preserve or defend title to, or a right over, the CGT asset							
	Cost base unindexed						
			Reduced cost base				
					Cost base indexed		

Capital gain calculation

Indexation method[2]		Discount method[3]		'Other' method (CGT asset held for less than 12 months)	
Capital proceeds[11]	$	Capital proceeds[11]	$	Capital proceeds[11]	$
Less: cost base indexed	$	*Less:* cost base unindexed	$	*Less:* cost base unindexed	$
Capital gain (a)	**$**	**Capital gain (b)**	**$**	**Capital gain**	**$**
Choose capital gain (a) or (b)	**Capital gain $**				

Transfer the capital gain to Part A1 of the *CGT summary worksheet*, except for a capital gain from collectables which is transferred to Part A2 of that worksheet.

Capital loss calculation

Capital loss	
Reduced cost base	$
Less: capital proceeds[11]	$
Capital loss[12]	**$**

Transfer the capital loss to Part B of the *CGT summary worksheet*, except for a capital loss from collectables which is transferred to Part A2 of that worksheet.

1 CGT event

A capital gain or capital loss is made if certain events or transactions (called CGT events) happen. Most commonly, CGT events happen to a CGT asset (for example, the disposal of a CGT asset) but some CGT events can happen without involving a CGT asset. For more information about CGT events refer to the *Guide to capital gains tax 2001*.

2 Indexation method*

For CGT assets acquired before 11.45am by legal time in the ACT on 21 September 1999, the indexation of the cost base of an asset is frozen as at 30 September 1999. Individuals, trusts and superannuation entities can choose to use either the cost base indexed, frozen as at 30 September 1999, or the CGT discount.

3 Discount method*

If a CGT event happens in relation to a CGT asset after 11.45am by legal time in the ACT on 21 September 1999 and the asset was acquired at least 12 months before the CGT event, you may be entitled to discount the capital gain after applying capital losses. The discount percentage for an individual or trust is 50% and for a complying superannuation entity is 33⅓%. Companies (other than those life insurance companies and friendly societies which carry on life insurance business that are entitled to the CGT discount in respect of their complying superannuation business) are not eligible for the CGT discount. Current year capital losses and then prior year net capital losses are applied against current year capital gains before applying the CGT discount. If any capital gains qualify for the CGT small business concessions, those concessions are then applied to each capital gain.

*** Note:** For CGT assets acquired before 11.45am by legal time in the ACT on 21 September 1999, you have the option of choosing the CGT discount or calculating the capital gain using indexation frozen as at 30 September 1999. Calculate your capital gain under each option to determine the best result in your particular circumstances.

4 Other CGT assets and any other CGT events

This category is for a capital gain or loss made from a CGT asset or any other CGT event that is not from shares and units (in unit trusts), real estate or a collectable. Capital gains from personal use assets are included here. If a personal use asset was acquired for $10 000 or less, any capital gain is disregarded. Capital losses from personal use assets are disregarded.

*** Note:** Plant: A capital gain or loss from plant is also disregarded. For CGT events after 11.45am by legal time in the ACT on 21 September 1999, any capital gain or capital loss on the disposal of plant is treated as an additional form of balancing adjustment under the plant depreciation provisions.

5 Collectables

If a collectable, for example jewellery or an antique, was acquired for $500 or less, any capital gain or loss is disregarded. Capital losses from collectables can only be used to offset capital gains from collectables.

6 Acquisition or purchase cost

This is money you paid or property you gave or you are required to pay or give to acquire a CGT asset. The market value of any property you gave, or are required to give, is worked out at the time of acquisition. Modifications and special rules may apply to this element of the cost base, for example, the market value substitution rule.

7 Incidental costs that relate to a CGT event

This includes the incidental costs of disposal of a CGT asset or, if there is no disposal of a CGT asset, those incidental costs that relate to the CGT event.

8 Non-capital costs of ownership

Non-capital costs of ownership include interest on borrowed money, rates and land tax, and the costs of repairing or maintaining the CGT asset. They are included in the cost base provided the CGT asset was acquired after 20 August 1991. These costs cannot be indexed or used to work out a capital loss. Non-capital costs of ownership are not included in the cost base of collectables or personal use assets.

9 Cost base and reduced cost base

For the cost base, exclude all expenditure recouped or that has been deducted or can be deducted on assets acquired after 7.30pm by legal time in the ACT on 13 May 1997. For assets acquired before this time, exclude all expenditure recouped, or in respect of incidental costs and non-capital costs, that have been deducted or can be deducted. In some cases, cost base reductions are made before indexing (for example, recouped expenditure) in others, after indexing (for example, special building write-off deduction). For the reduced cost base, exclude any expenditure recouped or that has been deducted or can be deducted or is a non-capital cost of ownership. Indexation does not apply to the reduced cost base.

10 Indexation factor

Indexation is not relevant to:

- expenditure incurred after 11.45am by legal time in the ACT on 21 September 1999 relating to a CGT asset acquired before that time, or
- expenditure relating to a CGT asset acquired after that time.

The cost base includes indexation, frozen as at 30 September 1999, only if the CGT asset was acquired at or before 11.45am by legal time in the ACT on 21 September 1999 and has been owned for at least 12 months. There are some exceptions, for example, roll-overs and assets inherited from a deceased estate. Indexation is not available for non-capital costs of ownership and it is not relevant to the reduced cost base. The indexation factor is an amount equal to the Consumer Price Index (CPI) figure for the quarter of the year in which the CGT event happened to the asset, divided by the CPI figure for the quarter of the year in which you incurred the expenditure included in any of the cost base elements (except the third element, which is non-capital costs of ownership). A list of CPI figures is included in Appendix 1 of the *Guide to capital gains tax 2001*.

11 Capital proceeds

This is money and the market value of any property that has been received or is entitled to be received, in respect of the CGT event happening. Modifications and special rules may apply to change the capital proceeds for certain CGT events.
If the capital proceeds are greater than the cost base, a capital gain is made.
If the capital proceeds are less than the reduced cost base, a capital loss is made.
If the capital proceeds are between the cost base, or if applicable the indexed cost base, and the reduced cost base, neither a capital gain nor a capital loss is made.

12 Capital losses

Capital losses from collectables can only be used to offset capital gains from collectables. Capital losses from personal use assets are disregarded. You cannot deduct a net capital loss from your assessable income. If you became a bankrupt during the year, prior year net capital losses are disregarded.