

Tax Tools – 50% Capital Gains Tax Discount

The 50% Discount applies to Capital Gains made by individuals and beneficiaries of Trusts where the asset was acquired after 11.45am AEST on 21 September, 1999, provided the Asset is held for at least 12 months.

In reckoning the 12 month period, both the day of acquisition and the day on which the Capital Gains Tax event happens must be excluded.

The remaining capital gains (50%) is taxed at the individual's normal marginal tax rates – refer to Tax Tools – Individuals for a listing of the current tax rates.

The 50% Discount does **NOT** apply to Companies.

The Discount does apply to Superannuation Funds, but instead of being at 50%, the discount level is 33%. The remaining capital gains (66%) is taxed at 15% for Superannuation Funds.

We strongly recommend obtaining advice on the capital gains tax ramifications of selling capital assets before any contract is signed with the purchaser. Please contact this office if you require any such advice.