

EXAMPLE 45 (cont): Using all three methods to calculate a capital gain

CAPITAL GAIN OR CAPITAL LOSS WORKSHEET

CGT asset type or CGT event

Shares and units (in unit trusts) **X**

Forestry managed investment scheme interest

Collectables⁵

Real estate

Other CGT assets and any other CGT events⁴

Description of CGT asset or CGT event

Tony's 2,500 shares in Kimbin Ltd - Exercise of rights, given 1/7/2008, exercised 1/8/2008

Date of acquisition

01/08/2005

Date of CGT event

01/12/2009

	1	2	3	4	5	6	7
ELEMENTS OF THE COST BASE OR REDUCED COST BASE	Amount	Amounts to be deducted for cost base ⁹	Cost base (1 – 2)	Amounts to be deducted for reduced cost base ⁹	Reduced cost base (1 – 4)	Indexation factor ¹⁰	Cost base indexed (3 x 6)
Acquisition or purchase cost of the CGT asset ⁶	4,500	0	4,500				
Incidental costs to acquire the CGT asset							
Incidental costs that relate to the CGT event ⁷	110	0	110				
Costs of owning the CGT asset ⁸							
Capital expenditure to increase or preserve the asset's value or to install or move it							
Capital costs to establish, preserve or defend title to, or a right over, the CGT asset							
	Cost base unindexed		\$4,610				
			Reduced cost base		\$		
					Cost base indexed		\$

CAPITAL GAIN CALCULATION				CAPITAL LOSS CALCULATION			
Indexation method		Discount method		'Other' method (CGT asset held less than 12 months)		Capital loss	
Capital proceeds ¹¹		Capital proceeds ¹¹		Capital proceeds ¹¹	\$7,500	Reduced cost base	
less: cost base indexed		less: cost base unindexed		less: cost base unindexed	\$4,610	less: capital proceeds ¹¹	
Capital gain (a)		Capital gain (b)*		Capital gain	\$2,890	Capital loss¹²	
* In choosing between capital gain (a) or (b), remember that the CGT discount will not apply to (a) but it will reduce the amount of capital gain remaining after capital losses are deducted from (b).							

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.

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.

EXAMPLE 45 (Cont): Using all three methods to calculate a capital gain

CAPITAL GAIN OR CAPITAL LOSS WORKSHEET

CGT asset type or CGT event Shares and units (in unit trusts) X Forestry managed investment scheme interest Collectables⁵
 Real estate Other CGT assets and any other CGT events⁴

Description of CGT asset or CGT event Tony's 10,000 shares in Kimbin Ltd

Date of acquisition 01/07/1993 Date of CGT event 01/12/2009

	1	2	3	4	5	6	7
ELEMENTS OF THE COST BASE OR REDUCED COST BASE	Amount	Amounts to be deducted for cost base ⁹	Cost base (1 – 2)	Amounts to be deducted for reduced cost base ⁹	Reduced cost base (1 – 4)	Indexation factor ¹⁰	Cost base indexed (3 x 6)
Acquisition or purchase cost of the CGT asset ⁶	20,000	0	20,000			1.124	22,480
Incidental costs to acquire the CGT asset	300	0	300			1.124	337
Incidental costs that relate to the CGT event ⁷	440	0	440			1	440
Cost of owning the CGT asset ⁸							
Capital expenditure to increase or preserve the asset's value or to install or move it							
Capital costs to establish, preserve or defend title to, or a right over, the CGT asset							
	Cost base unindexed		\$20,740				
			Reduced cost base		\$		
					Cost base indexed		\$23,257

CAPITAL GAIN CALCULATION				CAPITAL LOSS CALCULATION			
Indexation method		Discount method		'Other' method (CGT asset held less than 12 months)		Capital loss	
Capital proceeds ¹¹	\$30,000	Capital proceeds ¹¹	\$30,000	Capital proceeds ¹¹		Reduced cost base	
less: cost base indexed	\$23,257	less: cost base unindexed	\$20,740	less: cost base unindexed		less: capital proceeds ¹¹	
Capital gain (a)	\$6,743	Capital gain (b)*	\$9,260	Capital gain		Capital loss¹²	
* In choosing between capital gain (a) or (b), remember that the CGT discount will not apply to (a) but it will reduce the amount of capital gain remaining after capital losses are deducted from (b).							

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.

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.