


***TD 1999/D45 - Income tax: capital gains: does CGT event G1 in section 104-135 of the Income Tax Assessment Act 1997 (about capital payments for shares) apply to a bonus share issued out of a share capital account?***

 This cover sheet is provided for information only. It does not form part of *TD 1999/D45 - Income tax: capital gains: does CGT event G1 in section 104-135 of the Income Tax Assessment Act 1997 (about capital payments for shares) apply to a bonus share issued out of a share capital account?*

This document has been finalised by TD 2000/2.



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## Draft Taxation Determination

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**Income tax: capital gains: does CGT event G1 in section 104-135 of the *Income Tax Assessment Act 1997* (about capital payments for shares) apply to a bonus share issued out of a share capital account?**

### Preamble

Draft Taxation Determinations (DTDs) present the preliminary, though considered, views of the Australian Taxation Office (ATO). DTDs should not be relied on; only final Taxation Determinations represent authoritative statements by the ATO.

1. No. Subdivision 130-A of the *Income Tax Assessment Act 1997* ('the 1997 Act') deals specifically with the treatment of bonus shares. It applies rather than section 104-135 .

### Note:

2. This Taxation Determination rewrites and replaces Taxation Determination 32. There is no material change in this Taxation Determination to the views expressed in TD 32 apart from updating it with the rewritten income tax law in the 1997 Act and with recent Corporations Law changes.

3. Subdivision 130-A and section 104-135 of the 1997 Act, to which this Determination refers, express the same ideas, respectively, as Divisions 8 and 8A and section 160ZL of the *Income Tax Assessment Act 1936*.

## Your comments

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**We invite you to comment on this Draft Taxation Determination. We are allowing 4 weeks for comments before we finalise the Determination. If you want your comments considered, please provide them to us within this period.**

**Comments by Date:** 1 September 1999  
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**Commissioner of Taxation**  
4 August 1999

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*Previous draft:*

Not previously released in draft form

*Related Rulings/Determinations:*

*Subject references:*

bonus shares; CGT event G1; payment; share capital account; shares

*Legislative references:*

ITAA 1997 Subdivision 130-A; Section 104-135  
ITAA 1936 Division 8; Division 8A; Section 160ZL

*Case references:*

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ATO references:

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