


# ***TD 1999/D56 - Income tax: capital gains: what does the word 'incur' in subsection 124-75(2) of the Income Tax Assessment Act 1997 mean?***

 This cover sheet is provided for information only. It does not form part of *TD 1999/D56 - Income tax: capital gains: what does the word 'incur' in subsection 124-75(2) of the Income Tax Assessment Act 1997 mean?*

This document has been finalised by [TD 2000/39](#).

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## Draft Taxation Determination

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### **Income tax: capital gains: what does the word 'incur' in subsection 124-75(2) of the *Income Tax Assessment Act 1997* mean?**

#### 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. The word 'incur' in the context of subsection 124-75(2) of *the Income Tax Assessment Act 1997* means, in relation to expenditure in acquiring a CGT asset, that you outlay expenditure or that you have definitively committed yourself or have completely subjected yourself to a presently existing liability to outlay the expenditure.

#### Note:

2. The word 'incur' has the same meaning in subsection 124-75(2) as it has in its context in the general deduction provision in subsection 8-1(1).

## 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.**

<b>Comments by Date:</b>	<b>1 September 1999</b>
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FOI status: draft only - for comment

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## Commissioner of Taxation

4 August 1999

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*Subject references:*

Acquisition; asset; CGT asset; expenditure; incur; incurred

*Legislative references:*

ITAA 1997 8-1(1), 124-75(2)

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ATO references:

NO 99/10859-2

BO CGT Involuntary Disposal summit 1999

ISSN: 1038 - 8982