


***TD 2008/30A1 - Addendum - Income tax:  
consolidation: capital gains: for the purposes of Part  
3-90 of the Income Tax Assessment Act 1997, is the  
CGT asset that an entity has contracted to buy from  
another taxpayer an asset of the entity at a time it  
joins or leaves a consolidated group, if the contract  
is not completed at that time?***

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## Addendum

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### Taxation Determination

Income tax: consolidation: capital gains: for the purposes of Part 3-90 of the Income Tax Assessment Act 1997, is the CGT asset that an entity has contracted to buy from another taxpayer an asset of the entity at a time it joins or leaves a consolidated group, if the contract is not completed at that time?

This Addendum amends Taxation Determination TD 2008/30 to reflect changes introduced by Schedule 5 to the *Tax Laws Amendment (2010 Measures No. 1) Act 2010*.

#### TD 2008/30 is amended as follows:

1. **Paragraph 2**

Insert note after paragraph:

**Note:** The timing of when certain CGT events are taken to have occurred has been amended by the *Taxation Laws Amendment Act No.1 2010*. Section 716-860 introduced by *Taxation Laws Amendment Act No.1 2010* modifies the CGT timing rules when an entity joins or leaves a consolidated group and the CGT event straddles the joining or leaving time. For contracts entered into or settled on or after 8 May 2007, the time of the CGT event happening to the joining entity is not taken to be the time the contract was entered into but the time when the circumstances that gave rise to the CGT event first existed. That is when the change of beneficial ownership occurs.

To the extent that section 716-860 of the ITAA 1997 does not affect matters covered in this Taxation Determination, the Commissioner's view will continue to apply.

This Addendum applies to CGT events that happen on or after 8 May 2007, the date of application of the amendments to the *Income Tax Assessment Act 1997* by Part 17 of Schedule 5 to the *Tax Laws Amendment (2010 Measures No. 1) Act 2010*.

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**Commissioner of Taxation**

24 April 2012

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# TD 2008/30

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ATO references

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Income Tax ~~ Consolidation ~~ capital gains tax  
Income Tax ~~ Consolidation ~~ tax cost setting amount