



# ***TD 2005/20 - Income tax: capital gains: what is the improvement threshold for the 2005-06 income year under section 108-85 of the Income Tax Assessment Act 1997?***

 This cover sheet is provided for information only. It does not form part of *TD 2005/20 - Income tax: capital gains: what is the improvement threshold for the 2005-06 income year under section 108-85 of the Income Tax Assessment Act 1997?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *25 May 2005*



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## Taxation Determination

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Income tax: capital gains: what is the improvement threshold for the 2005-06 income year under section 108-85 of the *Income Tax Assessment Act 1997*?

### **Preamble**

*The number, subject heading, date of effect and paragraph 1 of this document are a 'public ruling' for the purposes of Part IVAAA of the **Taxation Administration Act 1953** and are legally binding on the Commissioner.*

1. For the 2005-06 income year, the improvement threshold is \$109,447.
2. The improvement threshold is determined for the purposes of section 108-70 (about when a capital improvement to a pre-CGT asset is a separate asset) and section 108-75 (about capital improvements to CGT assets for which a roll-over may be available).
3. The improvement threshold is required by subsection 108-85(2) to be indexed annually in accordance with Subdivision 960-M.
4. This Determination is published, as subsection 108-85(3) requires, before the 2005-06 financial year begins.

### **Date of effect**

5. This Determination applies for the 2005-06 income year.

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**Commissioner of Taxation**  
25 May 2005

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# TD 2005/20

*Previous draft:*

Not previously issued as a draft

- improvement threshold
- indexation
- threshold

*Previous Rulings/Determinations:*

TD 94/56; TD 95/23; TD 96/30; TD 97/12;  
TD 98/13; TD 1999/29; TD 2000/25;  
TD 2001/12; TD 2002/12; TD 2003/13;  
TD 2004/15

*Legislative references:*

- TAA 1953 Pt IVAAA
- ITAA 1997 108-70
- ITAA 1997 108-75
- ITAA 1997 108-85
- ITAA 1997 108-85(2)
- ITAA 1997 108-85(3)
- ITAA 1997 Subdiv 960-M

*Subject references:*

- asset improvement
  - capital gains
  - improvement
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ATO references

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