

## Capital gains tax checklist

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The following questions will help tax agents determine possible capital gains tax (CGT) implications for their clients. A 'yes' response to any of these questions could indicate that CGT applies and should be investigated.

Some questions are intended to highlight the possibility of a capital gain or loss arising in the current year, others to alert users to the possibility of a CGT exposure in the future and the need to keep appropriate records. This list of questions is not exhaustive. Questions marked with an asterisk (\*) indicate where potential record keeping implications should also be considered.

### 1. Real estate – current year CGT impacts\*

- |   |            |           |
|---|------------|-----------|
| 1.1 Have you sold or given away any real estate in the past financial year (including your main residence)?                               | <b>Yes</b> | <b>No</b> |
| 1.2 Has there been a change to the title of real estate that you owned (or partially owned) at the start of the year?                     | <b>Yes</b> | <b>No</b> |
| 1.3 Have you granted an option, conservation covenant or other right (for example, an easement over real estate) in the year?             | <b>Yes</b> | <b>No</b> |
| 1.4 Have you granted, changed or varied a lease over your real estate in the past year?   | <b>Yes</b> | <b>No</b> |
| 1.5 Has any building or capital improvement on your land been destroyed in the past year?   | <b>Yes</b> | <b>No</b> |
| 1.6 Did you receive compensation in the past year in respect of real estate you own?  | <b>Yes</b> | <b>No</b> |
| 1.7 In the past year, have you sold any rights you held in real estate - such as contractual rights relating to an off-the-plan purchase? | <b>Yes</b> | <b>No</b> |

### 2. Real estate – future year CGT impacts\*

- |  |            |           |
|--|------------|-----------|
| 2.1 Do you own real estate (including an inheritance) that is not your main residence (for example, land, investment property or holiday house)? | <b>Yes</b> | <b>No</b> |
| 2.2 Do you own real estate that is your main residence and it is:  |            |           |
| • used as a place of business or to derive rent or has not been your main residence the whole time you owned it                                  | <b>Yes</b> | <b>No</b> |
| • situated on more than 2 hectares (4.94 acres) of land, or  | <b>Yes</b> | <b>No</b> |
| • a different home to your spouse or dependent child (under 18 years old)?   | <b>Yes</b> | <b>No</b> |
| 2.3 Have you made any capital improvements to any real estate that you own?  | <b>Yes</b> | <b>No</b> |
| 2.4 Have you subdivided or amalgamated any real estate that you own?   | <b>Yes</b> | <b>No</b> |

### 3. Shares & investment units\*

- |  |            |           |
|--|------------|-----------|
| 3.1 Do you own any shares, units in a unit trust or other investments (for example, convertible notes)?                  | <b>Yes</b> | <b>No</b> |
| 3.2 If so, did your interests change during the year (that is, because they were sold, transferred, cancelled or ended)? | <b>Yes</b> | <b>No</b> |

3.3	Did your interests in an employee share scheme change?	<b>Yes</b>	<b>No</b>
3.4	Did you receive compensation in the past year in respect of any investments you own?	<b>Yes</b>	<b>No</b>
3.5	Did you receive a non-assessable payment from a company or trust in which you have an investment?	<b>Yes</b>	<b>No</b>
3.6	Did you receive a distribution from a trust that includes a capital gain?	<b>Yes</b>	<b>No</b>
3.7	Has the trustee provided you with a statement indicating how they calculated the trust's capital gain?	<b>Yes</b>	<b>No</b>
3.8	Has the entity in which you own an investment:		
	• been involved in a takeover, demerger, demutualisation or merger	<b>Yes</b>	<b>No</b>
	• gone into liquidation, or	<b>Yes</b>	<b>No</b>
	• conducted a share buy-back?	<b>Yes</b>	<b>No</b>
3.9	Did you acquire any of your shares or units:		
	• under a dividend or distribution re-investment plan	<b>Yes</b>	<b>No</b>
	• under a bonus issue, or	<b>Yes</b>	<b>No</b>
	• as the result of the exercise of a right or option to acquire additional shares/units?	<b>Yes</b>	<b>No</b>

#### 4. Trust distributions\*

4.1	Are you a beneficiary of any other trust (that is, other than one in which you hold units as an investment)?	<b>Yes</b>	<b>No</b>
4.2	Have you received a distribution from the trust that includes a capital gain?	<b>Yes</b>	<b>No</b>
4.3	If so, has the trustee provided you with a statement indicating how they calculated the trust's capital gain?	<b>Yes</b>	<b>No</b>
4.4	Have you received a distribution from the trust that includes a non-assessable payment?	<b>Yes</b>	<b>No</b>
4.5	If so, has the trustee provided you with a statement indicating the nature of the distribution? (for example tax-free amounts, CGT concession amounts, tax exempted amounts, tax-deferred amounts)	<b>Yes</b>	<b>No</b>

#### 5. Business\*

5.1	Do you own a small business or have an interest in one?	<b>Yes</b>	<b>No</b>
5.2	Did you dispose of all or some of the assets of a business during the year?	<b>Yes</b>	<b>No</b>
5.3	If you did dispose of any business assets, did you account for GST on those assets?	<b>Yes</b>	<b>No</b>
5.4	Did you acquire a business or business assets during the year?	<b>Yes</b>	<b>No</b>

#### 6. Marriage breakdown\*

6.1	Have you acquired an asset or an interest in one from your former spouse after the breakdown of your marriage?	<b>Yes</b>	<b>No</b>
6.2	Did you acquire the asset as the result of a court order?	<b>Yes</b>	<b>No</b>

#### 7. Deceased estates\*

7.1	Are you the legal personal representative (LPR) or beneficiary of a deceased person's estate?	<b>Yes</b>	<b>No</b>
7.2	Have you distributed (LPR) or received a distribution of (beneficiary) an asset from the deceased estate?	<b>Yes</b>	<b>No</b>

#### 8. Other CGT events\*

8.1	Has your interest in a collectable acquired for \$500 or less changed (including items such as art, antiques, valuable metals, jewellery, coins or medallions, rare books and manuscripts and postage stamps)?	<b>Yes</b>	<b>No</b>
8.2	Has your interest in a personal use asset acquired for \$10,000 or less changed (including items such as	<b>Yes</b>	<b>No</b>

boats, furniture, electrical goods and household items)?

8.3 Have you received or become entitled to a capital payment (including compensation, restrictive covenants, contingent payments, and other consideration for an act, transaction or event)? **Yes No**

## 9. Record keeping

9.1 Are you aware of the records that you need to keep to calculate your capital gains or losses? **Yes No**

9.2 Are you aware that you need to keep these records for five years after the last relevant CGT event? **Yes No**

9.3 Are you aware that an asset register may enable you to discard records that would otherwise need to be kept? **Yes No**

9.4 Do you have a prior year capital loss that has been carried forward? **Yes No**

9.5 Have you considered the GST implications in relation to your CGT events? **Yes No**

If your client has answered 'yes' to one or more questions CGT implications may apply and should be investigated.

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