



JSM Accounting Group

"With you, through every stage"

CLIENT CAPITAL GAINS TAX CHECKLIST – PROPERTY

Capital Gains Tax (CGT) is the tax you pay on profits from selling assets such as a property.

A Capital Gains Tax event needs to be reported regardless of profit or loss. Sometimes exemptions may apply which can be assessed by the accountant.

You report capital gains and capital losses in your income tax return and pay tax on your capital gains. Although it is referred to as 'capital gains tax', it is part of your income tax. It is not a separate tax.

If you have a capital gain, it will increase the tax you need to pay. You may want to work out how much tax you will owe and set aside funds to cover it, immediately after sale.

For more information, please visit:

<https://www.ato.gov.au/Individuals/Capital-gains-tax/>

To assist in the correct calculation, we have designed a checklist as follows.

Sale of Investment Property:

Timeline of events for ownership/rental periods/personal use/vacancy:

<input checked="" type="checkbox"/>	Type	Document	Supplier	Reason
<input type="checkbox"/>	Purchase	Settlement Statement	Solicitor	Shows dates, values and substantiated
<input type="checkbox"/>	Sale	Settlement Statement	Solicitor	Shows dates, values and substantiated
<input type="checkbox"/>	Purchase	Tax Invoice – Legal fees	Solicitor	Tax Deductions
<input type="checkbox"/>	Sale	Tax Invoice – Legal fees	Solicitor	Tax Deductions
<input type="checkbox"/>	Purchase	Stamp Duty Paid	Office of State Revenue	Tax Deductions
<input type="checkbox"/>	During	Depreciation Schedule	Supplier	Add backs to cost bases
<input type="checkbox"/>	During	Prior Year Returns – for all years	Australian Taxation Office	Confirms deductions/write offs
<input type="checkbox"/>	Sale	Sale Costs – Marketing Invoice	Real Estate Agent	Tax Deductions
<input type="checkbox"/>	Sale	Sale Costs – Real Estate Commission Invoice	Real Estate Agent	Tax Deductions
<input type="checkbox"/>	Sale	Sale Costs – Legal Fees Invoice	Solicitor	Tax Deductions