

Review of CGT Roll-overs

Consultation Guide

February 2020

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# Reform directions for the capital gains tax roll-over rules

The Board of Taxation (Board) is conducting a review of the capital gains tax (CGT) roll-over rules. The terms of reference for this review are set out on page 15 and request the Board to identify and evaluate opportunities to rationalise the existing CGT roll-overs and their associated provisions into a simplified set that have substantially similar practical effect, but are easier to use and interpret. In doing so, the Board should have regard to the two main categories of roll-overs, namely, roll-overs where there is no change in underlying economic ownership and roll-overs where the disposal is involuntary. It will also consider whether there would be benefit in providing additional categories of roll-overs.

This Consultation Guide explains how interested parties can take part in the Board’s review.

Roll-over treatment provides temporary relief to taxpayers by enabling them to defer payment of CGT to until the ultimate disposal of the asset. Roll-overs have been a feature of Australia’s CGT regime since its inception, originally applying in cases of compensation for the compulsory acquisition of assets and stolen or destroyed property, and for specified business reorganisations involving no change in underlying economic ownership. However, over time, tax law provisions catering for these circumstances have proliferated to the point where navigating the law is difficult. In addition, it is not always clear how the policy principles underpinning certain roll-overs apply to contemporary transactions, such that significant taxpayer and ATO resources are directed at disputing the proper bounds of roll-over provisions.

Stakeholders concerns include the following:

* Roll-overs are sometimes more difficult to navigate and access than they need to be. There is too much red tape and, accordingly, a high cost of compliance.
* Roll-overs do not always apply in the way they should. For example, there can be anomalous outcomes even when a roll-over is available.
* There are certain situations for which stakeholders believe roll-over should be available but it is not (or is available, but only through a series of roll-overs which increases complexity and cost, and creates uncertainty around the application of the general anti-avoidance provisions).
* There are other CGT provisions that are not regarded as roll-overs but arguably could be incorporated into a coherent roll-over regime. For example, consequences of death and the merging or splitting of capital assets.

This consultation guide sets out the current suite of roll-overs and the policy considerations that are central to evaluating and improving the framework of roll-over relief. It also poses questions for interested parties to think about when formulating their input to the review.

Most importantly, this guide explains our consultation process over the course of 2020 and the Board invites the broader community to actively contribute to designing a coherent principle-based roll-over regime. These contributions will inform the Board’s final advice to the Government.

# Consultation

The Board looks forward to working with the community in developing the Board’s advice to Government. A working group comprising members from the tax profession, academia, Treasury and the ATO (see Membership on page 17) has been established to guide the project, provide expertise, and assist Board members with consultations.

Interested parties may contribute to the review by participating in one of the consultation activities conducted by the working group or through online submissions. Set out below is an indicative timeframe for consultation. Further information will be made available at: [www.taxboard.gov.au](http://www.taxboard.gov.au).

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| Timetable |
| February 2020 | Consultation guide – released |
|  | This consultation guide released in early February 2020. |
| February - April 2020 | Consultation roundtables |
|  | The working group will hold a series of roundtable meetings to assist in identifying all relevant issues with the current suite of CGT roll-overs and test options. The Board invites interested stakeholders to register their interest in participating on the following dates: * Melbourne – Thursday 20 February 2020
* Sydney – Thursday 26 March 2020
* Perth – Tuesday 21 April 2020
* Brisbane – Thursday 30 April 2020

Any written submissions to this guide will be accepted until 30 April 2020.  |
| June 2020 | Discussion paper – released |
|  | The consultation roundtables and any other responses to the consultation guide will inform a discussion paper, which is expected to be released in June 2020. The discussion paper will:* canvass the options
* evaluate the potential reform package, and
* discuss the potential tax design issues, including any transitional rules.

If required, the working group will endeavour to hold further meetings with interested stakeholders during this time.  |
| August 2020 | Written submissions to Discussion Paper |
|  | Submissions in response to the discussion paper are expected to close 31 August 2020.  |
| November 2020 | Final report |
|  | The Board is required to report to the Government by 30 November 2020. |

# The current system of CGT roll-overs

A roll-over is a concession to the principle that a capital gain is taxed once it is realised, such as on the disposal of an asset. It is a mechanism to defer the levying of CGT on a capital gain or loss to a later point in time, either on the same entity or a different entity. Roll-overs involve delaying the taxation of capital gains and modifying the rules about cost base and acquisition time to give effect to the deferral.

Roll-overs were originally intended to be available in two main circumstances. This intention was articulated in then Treasurer Paul Keating’s Second Reading speech on 22 May 1986 (emphasis added):

*“Rollovers-that is, deferral of capital gains tax liability-are to be allowed for asset ownership changes associated with specified types of business reorganisations where* ***no change occurs in the underlying ownership of the asset concerned*** *or where the underlying assets against which the taxpayer has a claim do not change... The Government has considered the view that more general rollover relief should be available for business reorganisations on the argument that not to do so could inhibit desirable business behaviour. It has rejected this argument on equity grounds. Taken to its logical conclusion, it is virtually akin to saying that it is only the capital gains of individuals not operating businesses which should be subject to the tax.*

*Rollovers are also provided for certain* ***involuntary asset disposals****. These include the compulsory acquisition of assets by a government body and the theft or destruction of assets, where replacement assets are acquired within a stipulated period. In addition, in order to avoid the possibility of undue financial hardship, rollovers will apply for asset transfers between spouses incident to the breakdown of legal marriages…”*

Subsequent Governments have enacted a number of roll-overs on grounds of economic efficiency which expand on the two main categories from the original CGT policy design. The majority of these additional roll-overs relate to voluntary business restructures which do allow changes in underlying economic ownership of particular assets.

Set out below are the current CGT roll-overs in the tax system, separated into three categories – roll-overs available for certain business reorganisations with no change in underlying economic ownership, roll-overs that typify a degree of involuntariness, and roll-overs for business reorganisations that do allow a change in underlying economic ownership. There is also unique relief provided to small businesses on the taxation of capital gains arising from the replacement of active business assets.

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| Roll-over | Ref | Description | Policy rationale[[1]](#footnote-2) |
| Business reorganisations with no change in underlying economic ownership  |  |
| Individual/trustee transfer to wholly owned company | 122-A  | Relief provided as part of the originating CGT package in 1986 where an individual or trust transfers property to a company in exchange for shares of the same company.  | In modifying the proposals in the draft White Paper ‘*Reform of the Australian Tax System’,* the Government decided that roll-over is justified on economic efficiency grounds for certain types of business reorganisations. Namely, for business reorganisations involving asset ownership changes where no change occurs in the underlying ownership of the asset or where the underlying assets against which the taxpayer has a claim do not change. |
| Partnership transfer to wholly owned company | 122-B | Relief provided when a partnership transfers property to a company in exchange for shares of the same company.  | As above for 122-A roll-over. |
| Exchange of shares or units | 124-E | Relief provided where, as part of a reorganisation of capital of a company, a shareholder surrenders all shares of a particular class to the company in exchange for shares of a different class of the same company. | As above for 122-A roll-over. |
| Exchange of rights or options | 124-F | Relief provided where rights or options to acquire shares in a company or units in a unit trust are exchanged for new rights or options of equivalent or greater value due to a consolidation or subdivision of the shares or units over which the rights or options exist. | The underlying assets against which the taxpayer has a claim has not materially changed where rights or options are exchanged in this way |
| Change of incorporation | 124 - I | Relief provided for members of a body that is incorporated under one law and is converted to, or replaced with, a company incorporated under the *Corporations Act 2001* or similar foreign law, or the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). Subdivision 620-A provides roll-over relief for the assets of the relevant body.  | To accommodate business practices, such as when bodies are wound up and subsequently reincorporated, and when additional shares are issued on incorporation to reflect all of the interests and rights held in the original body. The 2012 amendments extended roll-over to indigenous bodies changing their incorporation without CGT consequences. |
| Trust to company | 124-N | Relief for the transfer of assets from a fixed trust to a company, with the fixed trust ceasing to exist.  | To increase the commercial flexibility available in selecting an appropriate business form for the needs of business. Initially, this roll-over was proposed as transitional relief as part of the unified entity regime proposal in the ‘*A* *Tax System Redesigned’* reform program. Its stated aim initially wasto add to the neutrality and consistency of the tax system, allowing commercial decisions on business structure to be made without undue effects from tax consequences. |
| Exchange of stapled ownership interests for ownership interests in a unit trust | 124-Q | Relief for investors in a stapled group, such as Australian listed property trusts, where there has been a restructure involving the interposition of a unit trust between the investors and the stapled entities. | To enhance the international competitiveness of Australian property trusts and facilitate their expansion into offshore markets. Stapled groups have become increasingly dependent on the acquisition of overseas assets in order to increase their competitive position. |
| Demerger relief | 125 | Relief at both the shareholder/unitholder and entity level when a corporate or trust group restructures by splitting into two or more entities or groups, with the underlying owners becoming holders of those entities or groups directly.  | To increase efficiency by allowing greater flexibility in restructuring businesses and ensuring that tax considerations are not an impediment to such restructuring. It would provide an overall benefit to the economy and enhance the competitiveness of Australia’s business sector. |
| Companies in the same wholly-owned group | 126-B | Relief for the transfer of assets between two commonly-owned companies and at least one of the companies is a foreign resident. Introduced as part of the originating CGT package, it now has limited scope as a result of the introduction of the consolidation regime. | As above for 122-A roll-over. |
| Changes to trust deeds | 126-C | Relief for the amendment to, or the replacement of, the trust deed of a complying approved deposit fund, a complying superannuation fund, or a fund that accepts worker entitlement contributions. | To cater for the conversions of approved deposit funds to a superannuation fund, or the amendment or replacement of trust deeds for such funds. |
| Transfer of assets between certain trusts | 126-G | Relief for the transfer of assets between fixed trusts with the same beneficiaries, each of which has the same interests in each trust. | To allow eligible trusts to restructure businesses or investment funds when they need to without the undue impediment of capital gains tax considerations. |
| Small business restructure roll-over\*† | 328-G | Relief for a small business entity that restructures the ownership of the assets of the business without changing the ultimate economic ownership of the assets.  | To provide a remedy for small businesses, particularly new small businesses who do not have the time or money to seek professional advice, who might choose an initial legal structure that they later find is not suited to their needs. |
| Interposition of holding company\* | 615 | Relief for the interposition of a company between the owners and an existing company or unit trust where the owners exchange their ownership interests for ownership interests in the interposed company. | To extend relief for asset ownership changes as part of a business reorganisation when there is no change to the underlying economic ownership. |
| Change of incorporation\* | 620-A | Subdivision 620-A provides roll-over relief for the assets of the body changing incorporation under subdivision 124-I.  | As above for 124-I roll-over. |
| Disposals that exhibit ‘involuntariness’ |  |
| Assets compulsorily acquired, lost or destroyed | 124-B | Relief for compensation for compulsory acquisition of assets and for stolen or destroyed property when replacement assets are acquired within one and two years from the time of involuntary disposal. Roll-over also applies to compensation received for the repair or restoration of a damaged asset. | The policy rationale is unstated in the originating CGT package in 1986, but is clearly directed at the inequitable outcomes that result from CGT in circumstances involving an involuntary transaction.  |
| Statutory licences | 124-C | Relief for the renewal or extension of a licence or authority issued by a government or government authority, subject to the requirement that there is no change in beneficial ownership.  | To preserve the CGT-exempt status of pre-CGT assets and ensure that a renewal or extension does not result in a disposal because such assets are created by statutory powers, and renewal or extension is generally granted. |
| Strata title conversion  | 124-D | Relief for a conversion to a strata title from another type of ownership arrangement for individual ownership of home units and apartments.  | To ensure that CGT operated in a fair manner, noting that the relevant conversion is in the form of legal title to the unit or apartment rather than an effective change to the rights of the individual owners over that asset. |
| Crown Leases | 124-J | Relief on the renewal, extension or conversion to a lease in perpetuity of a crown lease of land where the new or extended lease is over the same or substantially the same land.  | To ensure consistency of treatment with freehold interests, given there is little difference between the two, so that CGT-exempt status is preserved pre-CGT crown leases and, in other cases, ensuring no CGT arises until the lease is disposed of to a third party or otherwise terminated. |
| Depreciating assets that are easements over crown land | 124-K | Relief for depreciating assets installed on Crown Leases.  | To synchronise the capital gains tax and depreciation treatment of depreciating assets installed on Crown Leases. (Depreciation deductions were granted to owners of depreciating property installed on crown leases in the prior year). |
| Prospecting and mining entitlements | 124-L | Automatic relief for the expiry or surrender of prospecting and mining entitlements when replaced with new entitlements.  | As above for 124-C roll-over.  |
| Water entitlements | 124-R | Relief for the CGT consequences arising from the ending of an irrigator’s water entitlement and the issuing to the irrigator of a replacement water entitlement, including when irrigators transform their entitlement to water under an irrigation right into an individual water entitlement. | So that the tax system does not stand in the way of the new water trading regime (and to ensure compliance with the Water Market Rules 2009) which promotes a fairer and more efficient use of water for irrigators and operators. |
| Marriage or relationship breakdown | 126-A | Relief for the division of property in a recognised category of marriage breakdown (For example, a court order under the Family Law Act or under a state, territory or foreign law, binding financial agreements under the Family Law Act, and arbitral agreements).  | To avoid the possibility of undue financial hardship associated with marriage breakdowns. |
| Small superannuation funds (relationship breakdown) | 126-D | Relief for various categories of ‘payment splits’ between spouses under which assets are transferred between super funds (with four or fewer members) as a result of marriage breakdown.  | To recognise appropriate tax treatment to superannuation interests that are split pursuant to marriage breakdowns. |
| Business reorganisations which allow for changes in underlying economic ownership |  |
| Scrip-for-scrip  | 124-M | Relief provided when there is an exchange of interests in companies or fixed trusts, typically because of a takeover. CGT liability is deferred until ultimate disposal of the replacement share or trust interest.  | To enable start-up and innovative enterprises to undergo capital restructuring during the development phase without triggering a capital gains tax liability, encourage such businesses to remain in Australia, rather than to relocate offshore, remove a major impediment to mergers and takeovers, and to improve economic efficiency by enhancing the functioning of, and value-creation by, the corporate sector. |
| Exchange of Medical defence organisation (MDO) scrip for another MDO scrip | 124-P | Extends the scrip-for-scrip roll-over to membership interests in companies limited by guarantee that are medical defence organisations. | To achieve a better allocation of the nation’s capital resources by removing CGT as an impediment to mergers of medical defence organisations, in alignment with scrip-for-scrip roll-over. |
| Mining interest realignments | 124-S | Relief for the realignment of interests in mining, quarrying and prospecting rights as part of a common development project. | To facilitate common development projects between joint venture partners in the minerals and petroleum industry, including combining neighbouring fields into one project and sharing planning, research and infrastructure construction expenditure. |
| Entitlement to shares after demutualisation and scrip-for-scrip | 126-E | Relief for the shares acquired in insurance company demutualisations that are exchanged for replacement shares in a scrip-for-scrip transaction.  | Technical amendment for policyholders/members of a mutual insurance company who become absolutely entitled to certain shares held on trust as part of a demutualisation under 124-M. |
| Merging superannuation funds roll-over | 310 | Relief for superannuation fund mergers that arise as a result of regulatory change affecting superannuation funds.  | To remove tax as an impediment to mergers and facilitate industry consolidation, consistent with the Productivity Commission’s final report, Superannuation: Assessing Efficiency and Competitiveness. Consolidation would help address inefficiencies by reducing costs, managing risks and increasing scale, leading to improved retirement outcomes for members. |
| Replacement asset roll-over |
| Small business roll-over | 152-E | Relief for disposal of an ‘active asset’ of the business when a replacement ‘active asset’ is acquired within the stipulated period (two years).  | To ensure a lack of capital did not constrain the growth and development of small business. |

\* Signifies that the roll-over applies to assets subject to other tax asset regimes, namely depreciating assets, trading stock and other revenue assets. Section 40-340 mirrors the treatment of certain CGT roll-overs for depreciating assets.

† The Small business restructure roll-over generally applies to business reorganisations that do not result in a change in the underlying economic ownership of the transferred assets. In some limited circumstances, economic ownership is deemed to be maintained for business reorganisations involving discretionary trusts. This is a unique feature of the small business restructure roll-over.

# Policy considerations for reform

The Board sets out below the key policy considerations that are intended, not only as a framework to guide this review in alignment with its terms of reference, but also as an educative guide for assessing roll-over policy going forward.

As with all tax policy reform, the application of these policy considerations will inevitably involve trade-offs. For example, emphasising equitable outcomes often comes at the expense of simplicity. In assessing the issues and reform proposals through this review, value judgements will need to be made as between the individual policy considerations and the framework as a whole.

The Board welcomes any views on the set of policy considerations outlined below.

1. **Roll-over relief should be understood in the context of the equity that CGT provides to the tax system.**

CGT provides better equity between taxpayers earning conventional income (such as salary and wages) and those making capital gains (such as gains on investment assets). It applies a principle that taxpayers in the same financial situation should face similar tax outcomes (horizontal equity). It is particularly important in promoting the progressivity of the tax system as the distribution of ownership of capital is skewed in favour of higher income groups and the gains represent a significant share of their economic position.

CGT also tackles the tax avoidance strategy of converting or re-characterising income as capital gains, a widespread practice prior to the introduction of CGT.

In some circumstances, roll-over relief can be counter to fairness in that the deferral of the taxing point is not an available option for taxpayers, particularly lower income taxpayers, earning salary and wages.

1. **Roll-over relief should take into account the economic efficiency aims of CGT.**

Another policy rationale for introducing CGT was to improve economic efficiency. The absence of a tax on capital gains was viewed as a distorting influence on capital investment decisions as investors chose less productive projects yielding returns in the form of tax-free capital gains.

Proposed roll-over treatment should take proper account of the distortive effects on the efficient allocation of capital of deferring a tax charge further.

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It is also important to have regard to some of the structural features of the CGT landscape in evaluating our system of roll-overs, including:

1. **Roll-over treatment can relieve the unfair aspects of involuntary CGT events.**

An effect of the realisation-based design of CGT is that events outside of the taxpayer’s control can still trigger a tax liability. This can be unduly harsh in circumstances such as the theft or destruction of an asset, the compulsory acquisition of an asset by government, the death of a taxpayer or marriage breakdown.

Roll-over treatment can maintain the key equitable function of CGT by putting affected taxpayers on an equal footing with other asset owners who face a tax liability only at the time of their choosing.

1. **Roll-over treatment can reduce the effects of ‘asset lock-in’.**

The realisation-based approach to CGT can distort decisions to sell assets and unlock capital for productive investments that, tax considerations aside, would be chosen. Referred to as the ‘lock-in effect’, it encourages taxpayers to hold onto assets with embedded gains to avoid a tax charge. Its impact is particularly amplified in circumstances where business owners wish to restructure the ownership of business assets for commercial reasons (for example, a sole trader wishing to incorporate) or where businesses wish to sell assets to reinvest in productivity-enhancing replacement assets.

Roll-over treatment can reduce the lock-in bias (at least for the initial realisation event) and release taxpayers from being trapped in an unsuitable or inefficient structure. It can also encourage desirable business behaviour by removing an impediment to the reallocation of capital to more productive uses. Historically, roll-over has been granted for these circumstances only when there is no (or very minimal) change in the underlying ownership of assets, consistent with the equity objectives of CGT.

1. **Roll-over relief should be as simple as possible to promote compliance.**

Roll-overs involve a number of compliance challenges resulting from complexity. The first involves ensuring that the conditions for roll-over are satisfied. Some roll-over conditions may be technical, ‘black letter’ requirements, others are less prescriptive and require professional judgement, such as determining the purpose of an arrangement. The number of roll-overs with different conditions in our system makes navigating the law difficult and often requires costly, specialist advice.

The second compliance challenge involves accurately accounting for the consequences of roll-over, such as determining the cost base and acquisition date of relevant assets. This can involve assets such as shares or units (membership interests) in entities that have undertaken roll-over. Compliance is particularly onerous when multiple business reorganisation roll-overs are undertaken and/or where the entity is held by tens or hundreds of thousands of retail ‘mum and dad’ investors, who must keep track of multiple cost base adjustments for their membership interests.

Proposed roll-over treatment should be simpler so as to promote the maximum degree of certainty possible and minimise the risks of inadvertent non-compliance.

* the exemption for pre-CGT assets, and
* the CGT discount available on assets held for longer than 12 months.

# Terms of Reference

The Minister for Housing and Assistant Treasurer, the Hon Michael Sukkar MP, announced the terms of reference on Thursday 12 December 2019. They set out the objectives in undertaking this review, the scope of work, and the timing of the review.

The taxation law currently allows certain CGT events to occur without crystallising liabilities to tax in circumstances where it is considered appropriate for the CGT liability to be deferred until a later time (i.e. the CGT liability is ‘rolled over’). Over time, the provisions catering for these circumstances have multiplied to the point where navigating the law is difficult.

The Board of Taxation (Board) is requested to identify and evaluate opportunities to rationalise the existing CGT rollovers and associated provisions into a simplified set that have a substantially similar practical effect, but are easier to use and interpret. This may give rise to recommendations to repeal unnecessary rollovers, or express them in a more principled fashion, so that one can do the work of many. In doing so the Board should have regard to the two main categories of rollovers, namely, rollovers where there is no change in underlying economic ownership after the CGT event and rollovers where the disposal is involuntary (i.e. effectively forced upon the taxpayer at a particular time rather than occurring at a time chosen by them).

If the Board comes to the view that the system would benefit from additional categories of rollovers to complement the two key principles above, then the Board may suggest these as options for the Government to consider. In doing so, the Board should ensure that any proposals that defer capital gains tax encourage the active use of assets in the economy and, consequently, support the payment of income tax on profits generated from using those assets (for example, when compared with no change in ownership).

In general, the Board’s proposed principles-based rollovers should simplify the process of giving advice on rollovers and reduce the regulatory burden on affected businesses, while:

* protecting the tax system against the risk that any CGT deferral becomes permanent; and
* having regard to the overall revenue cost of the system of rollovers and the integrity of the tax system generally.

The Board should identify the advantages and disadvantages of its proposals, any potential revenue cost, and any relevant integrity concerns. The Board should also consider the broader effects of any proposed changes outside of the CGT provisions.

Timing

The Board is asked to report back to the Government by 30 November 2020.

# Consultation questions

The Board encourages you to reflect on the consultation questions below to assist in formulating your input to the review, having regard to the roll-over categories and the policy considerations outlined on pages 12 - 14. You should not feel obliged to address all of these questions and we encourage you to raise any other issues relevant to the CGT roll-over rules.

1. Do you agree with the policy considerations outlined in this document? Are there any other policy considerations that should be taken into account? Why?
2. What framing principles would be appropriate for rationalising the three categories of roll-overs into more principles-based roll-overs?

For example, does the concept of ‘involuntariness’ adequately capture the unfair circumstances in which roll-over should apply?

1. Are there any deficiencies and limitations in the current suite of roll-overs that can be addressed by a more principles-based approach to roll-over relief?
2. Can the system benefit from any additional categories of roll-overs? To what extent would any additional roll-over category encourage the active use of assets in the economy and maintain the integrity of the system generally?
3. Are there any redundant roll-overs?
4. What do you consider to be the main integrity risks with the current suite of roll-overs? Should specific integrity/purpose rules be built into the CGT roll-overs?
5. How does the interaction of other aspects of the tax system, such as the tax consolidation regime, impact the decision to choose a roll-over? Do these interactions create favourable or unfavourable outcomes?
6. Given grandfathering of pre-CGT assets is a noted source of complexity in the CGT regime, should the pre-CGT status of assets continue to be preserved in connection with roll-overs?
7. Can any changes be made to simplify the administrative and compliance obligations for taxpayers (particularly ‘mum and dad shareholders’) where a roll-over occurs?

# Membership

The Board has appointed Board members Craig Yaxley and Ann-Maree Wolff to lead this review. The Board is working in close partnership with members from academia, the tax profession, the Treasury and the ATO who have been appointed to a working group.

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| **Craig Yaxley** | **Ann-Maree Wolff** |
| Craig has been a Board member since 2015. He is a Senior Partner with KPMG and has over 30 years of corporate tax experience.  | Ann-Maree has been a Board member since 2015 and is the global head of tax for Rio Tinto.  |

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| **Mark Pizzacalla** | Board Member | Board of Taxation |
| **Martin Fry** | Partner | Allens LinkLaters |
| **Richard Buchanan** | Partner | EY |
| **Richard Hendriks** | Director | Greenwoods & Herbert Smith Freehills |
| **Greg Mascaro** | Principal | Kenworthy & Associates |
| **Dale Pinto** | Professor of Taxation Law | Curtin Law School, Curtin University |
| **The Treasury** |  |  |
| **Australian Taxation Office** |  |  |

# How to participate

The Board invites comment on the consultation questions set out in this consultation guide and looks forward to engaging further with interested parties throughout the course of this review.

Consultations

The Board will be holding a series of ‘in-person’ consultations:

* Melbourne Thursday 20 February 2020.
* Sydney Thursday 26 March 2020.
* Perth Tuesday 21 April 2020.
* Brisbane Thursday 30 April 2020.

If you would like to participate in discussions, please express your interest at CGTRollovers@taxboard.gov.au, and let us know where you are located.

Submissions

In addition to participating in consultations, the Board welcomes any written submissions to this review. Submissions can be made to CGTRollovers@taxboard.gov.au or addressed to the Treasury’s Melbourne office below.

The Board will accept submissions in response to this Consultation Guide until **30 April 2020**. All submissions will be published on the Board’s website except where the submission is made on a confidential basis.

Discussion Paper

A Discussion Paper is expected to be released in June. Submissions to the Discussion Paper will close on **31 August 2020**.

Contact information

The Board is supported by a secretariat based in the Treasury.

Board of Taxation Secretariat

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Phone: (02) 6263 4366

# Notes – Policy references

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| Roll-over | Policy reference |
| 122-A | Keating, P (Treasurer) 1986, *Capital Gains Tax: Further Information*, media release No. 24, 20 March Canberra. See also Keating, P (Treasurer) 1985, *Reform of the Australian Taxation System*, Statement by the Treasurer, September, Canberra; Second reading speech – Commonwealth, *Parliamentary Debates,* House of Representatives, 22 May 1986, 3801 (Paul Keating, Treasurer).  |
| 124-C | Keating, P (Treasurer) 1988, *Statement by the Treasurer, Capital Gains Tax: Further Rollover Relief*, media release No.9, 28 January, Canberra |
| 124-D | Keating, P (Treasurer) 1989, *Amendments to the Capital Gains Tax*, media release No.74, 15 August, Canberra; Second reading speech - Commonwealth, *Parliamentary Debates*, House of Representatives, 9 May 1990, 179 (Simon Crean, Minister for Science and Technology and Minister Assisting the Treasurer). |
| 124-F | Second reading speech – Commonwealth, *Parliamentary Debates,* House of Representatives, 22 May 1986, 3801 (Paul Keating, Treasurer). |
| 124-I | Sherry, N (Assistant Treasurer) 2010, *Reforms to Capital Gains Tax to Make it Easier for Businesses to Restructure,* media release No. 90, 11 May, Canberra. |
| 124-K | Second reading speech – Commonwealth, *Parliamentary Debates,* Senate, 12 May 1993, 455 (John Faulkner, Manager of Government Business in the Senate); Commonwealth, *Parliamentary Debates,* House of Representatives, 26 May 1992, 2765 (Peter Jeremy, Minister for Higher Education and Employment Services and Minister Assisting the Treasurer).  |
| 124-J | Keating, P (Treasurer) 1988, *Statement by the Treasurer, Capital Gains Tax: Further Rollover Relief*, media release No.9, 28 January, Canberra. |
| 124-L | Keating, P (Treasurer) 1988, *Statement by the Treasurer, Capital Gains Tax: Further Rollover Relief*, media release No.9, 28 January, Canberra. |
| 124-M | Costello, P (Treasurer) 1999, *The New Business Tax System* – Attachment G, media release No. 58, 21 September, Canberra. |
| 124-N | Costello, P (Treasurer) 2001, *Capital Gains Tax – Rollover of Assets from Trusts to Companies,* media release No. 77, 5 October 2001. See also Costello, P (Treasurer) 1999, *The New Business Tax System* – Attachment K, media release No. 58, 21 September, Canberra and the Explanatory Memorandum to the Taxation Laws Amendment Bill (No. 4) 2002, 29-30.  |
| 124-P | Dutton, P (Minister for Revenue and the Assistant Treasurer) 2007, *Amendments to the Capital Gains Tax Scrip for Scrip Roll-over*, media release No. 11, 14 February.  |
| 124-Q | Dutton, P (Minister for Revenue and the Assistant Treasurer) 2007, *Tax Changes to Enhance International Competitiveness of Australian Property Trusts*, media release No. 31, 4 April.  |
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| 125 | Coonan, H (Minister for Revenue and Assistant Treasurer) 2002, *Tax Relief for Demergers*, media release No. 40, 6 May; Coonan, H (Minister for Revenue and Assistant Treasurer) 2002, *Business Demergers can Proceed with Confidence*, media release No. 112, 21 October; Second reading speech – Commonwealth, *Parliamentary Debates*, House of Representatives, 27 June 2002, 4543 (Peter Slipper, Parliamentary Secretary to the Minister for Finance and Administration).  |
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| 126-C | Second reading speech – Commonwealth, *Parliamentary Debates,* Senate, (Nicholas Bolkus, Minister for Immigration and Ethnic Affairs and Minister Assisting the Prime Minister for Multicultural Affairs).  |
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| 126-E | Kemp, R (Assistant Treasurer) 2001, *Capital Gains Tax: Roll-over relief for Demutualisations*, media release No. 9, 21 March, Canberra. |
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1. Policy references to each roll-over are provided in the Notes section on page [19](#_Notes_–_Policy). [↑](#footnote-ref-2)