CGT asset category	CGT treatment on disposal
A. Pre-CGT assets (<u>acquired before 20 September 1985</u>)	
1. Disposed of ***before*** 1 July 2027	**FULL exemption** – the capital gain is exempt in full in accordance with the current rules.
2. Disposed of ***on or after*** 1 July 2027	**PARTIAL exemption** – the capital gain is apportioned using a split calculation as follows: • Gains accrued **before** 1 July 2027 – remain CGT-exempt. • Gains accrued **on or after** 1 July 2027 – indexation and the 30% minimum tax will be used to calculate the tax on gains accruing from 1 July 2027 (using the asset's value at 1 July 2027 as the asset's cost base).
B. Post-CGT assets – acquired <u>BEFORE</u> 1 July 2027 (held for more than 12 months)	
3. Disposed of ***before*** 1 July 2027	**50% CGT discount** – taxable capital gain (after applying any capital losses) can be reduced by 50% in accordance with the current rules.
4. Disposed of ***on or after*** 1 July 2027	**Split calculation** – the capital gain is apportioned as follows: • Gains accrued **before** 1 July 2027 – the 50% CGT discount can apply to the difference between the asset's cost base and its value at 1 July 2027. • Gains accrued **on or after** 1 July 2027 – indexation and the 30% minimum tax will be used to calculate the tax on gains accruing from 1 July 2027 (using the asset's value at 1 July 2027 as the asset's cost base).
C. CGT assets – acquired <u>ON OR AFTER</u> 1 July 2027 (held for more than 12 months)	
5. Disposed of ***on or after*** 1 July 2027	**Indexation and 30% minimum tax** – cost base indexation will apply with a 30% minimum tax on the net capital gains. <u>**No**</u> 50% CGT discount will be available (unless the 'new build' exemption applies – see below).
D. Eligible 'new build' residential properties (i.e. those that genuinely increase supply)	
6. Disposed of ***on or after*** 1 July 2027 by <u>first</u> purchaser	**ELECTION** – eligible investors will be able to choose either: • the 50% CGT discount • cost base indexation and the 30% minimum tax

7. Disposed of ***on or after*** 1 July 2027 by <u>subsequent</u> purchaser	**Indexation and minimum tax** – Cost base indexation will apply with a 30% minimum tax on the net capital gains. The election mentioned above for 'first purchasers' will not be available.
E. Special rules and exemptions	
8. Main residence	**NO CHANGE** – main residence CGT exemption continues to apply in accordance with the current rules.
9. Small business CGT concessions	**NO CHANGE** – all four small business CGT concessions will continue to apply in accordance with the current rules, which includes the following: • Small business 15-year exemption • Small business 50% reduction • Small business retirement exemption • Small business roll-over
10. Recipients of means-tested income support payments	**EXEMPT from 30% minimum tax** – individuals who receive means-tested income support payments (e.g. Age Pension or JobSeeker) in the income year in which they realise a capital gain will be exempt from the 30% minimum tax only (i.e. cost base indexation may apply where applicable).
11. Assets held by companies	**NO CHANGE** – companies have never been able to access the 50% CGT discount and so these proposed changes have no impact on the CGT treatment of assets held by companies.
12. Assets held by super funds (including SMSFs)	**NO CHANGE** – super funds (including SMSFs) can generally continue to access the one-third CGT discount under the current rules.
13. Qualifying affordable housing	**NO CHANGE** – the existing 60% CGT discount applying to qualifying affordable housing will be fully retained.
14. Early-stage and start-up businesses	**Consultation pending** – the Government will consult on the interaction of the CGT changes and incentives for investment in early-stage and start-up businesses. *The treatment of these investments remains subject to further announcements.*