

Explanatory Notes on completion of Form CG50

1. When this form is completed it should be submitted, together with a complete copy of the contract, to the Revenue Office dealing with the tax liability of the person making the disposal. Where the vendor(s) is non-resident the completed form should be transmitted to the agent's local Revenue Office. For further information in relation to non-resident vendors see Tax Briefing Issue 62 on Revenue's website at <http://www.revenue.ie/en/practitioner/tax-briefing/62/frameset.htm>. Where the asset being sold is land on which a new house has been built or is in the course of being built (see Sec. 980(4)(c) TCA 1997 for the meaning of 'new house') a certificate listed in Sec. 980(8A) TCA 1997 can be used instead of a certificate to which this form refers.
2. The full name(s), address(es) and tax reference number(s) of the person(s) making the disposal should be given. In the case of a company the address of the registered office should be provided. If more than four persons are involved in the disposal the relevant details of the additional persons should be attached on a separate sheet. A "care of" address is **not** sufficient.
3. A full description of the asset should be given. Where the asset is land or buildings the location should be clearly stated.
4. The total consideration or value passing on the disposal, including Value Added Tax, should be stated and if different from that shown on the accompanying documentation an explanation should be provided. Sec. 547 TCA 1997 refers, e.g. vendor remains rent-free, purchaser agrees to build house for vendor, etc.
5. The date on which the asset was acquired should be inserted. If different interests were acquired on different dates each relevant date and the nature of the interest acquired on each date should be stated, e.g. interim payments received as part of an insurance settlement, acquisitions staggered over a number of transactions.
6. The date of the contract for sale, (not the date of conveyance or transfer, if different), should be stated. If the closing date on the contract has elapsed at the time of making this application, confirm that the consideration has not passed and specify the revised closing date. If no formal contract/agreement exists, full particulars of the agreement leading to the disposal should be provided.
7. The full name(s) and address(es) of the person(s) acquiring the asset should be indicated. In the case of a company the address of the registered office should be provided. If more than four persons are involved in the acquisition the relevant details of the additional persons should be attached on a separate sheet.
Where an asset is purchased in trust the full name and address of the actual purchaser, not the person buying in trust should be given. In all cases a "care of" address is **not** sufficient.
8. Where a certificate issues to an individual pursuant to an application under (a) in the Vendor's Declaration on page 2 of Form CG50, resident in the State, a return of the disposal should be made on or before 31 October in the year following the year in which the disposal arose. The due date for payment of Capital Gains Tax is dependent on the date of disposal. For disposals between the 1 January and 30 November payment is due on the 15 December in the same year. For disposals between 1 December and 31 December payment is due on the 31 January of the following year. Payment should be made direct to the Collector-General's Division. Capital Gains Tax Payslips are available on Revenue's website www.revenue.ie, from the Collector-General's Division by phoning LoCall 1890 20 30 70 or from any Revenue Office. In the case of Companies, normal Corporation Tax rules apply unless the disposal relates to development land.
9. Where an application is made under either (b) or (c) in the Vendor's Declaration on page 2 of Form CG50, a computation of the gain/loss arising on the disposal should accompany this application together with payment of the Capital Gains Tax liability. This is of relevance to non-resident applicants in particular.

10. An application may be made by the person chargeable to Capital Gains Tax or by his/her agent:
- Where the application is made by an individual it should be signed by that individual. Where there are a number of individuals involved each should sign the form.
 - Where the application is made by a company it should be signed by the secretary of the company or other officer, (by whatever name called), performing the duties of secretary.
 - Where the application is made by a corporation or other body of persons it should be signed by the treasurer, auditor or receiver.
 - Where the application is made by a trust or un-administered estate it should be signed by the trustees or personal representatives.
 - Where the application is made by an agent it must include the name and address of the person making the disposal and, where that person is resident in the State, the tax reference number.
 - Where an application is made on behalf of a non-resident company or trust indicate the names and addresses of the beneficial shareholders or the settlor and beneficiaries in the case of a trust.
11. The capacity in which the application is made should be indicated - see note 10 above.

General Notes on Section 980 Taxes Consolidation Act 1997

The above provision applies to:

- (i) land in the State, (this includes buildings and any interest in land such as a lease);
- (ii) mineral assets in the State;
- (iii) exploration or exploitation rights in a designated area;
- (iv) unquoted shares deriving their value from the assets in (i), (ii) or (iii);
- (v) unquoted shares received in exchange for such shares where the exchange **qualified** for relief under Sec. 584 TCA 1997;
- (vi) the goodwill of a business carried on in the State, and
- (vii) certain transactions which do not involve the purchaser acquiring an asset, e.g. redemption of loan notes, distributions by a liquidator to a shareholder.

Under the provision, the purchaser of any of the above assets for a consideration exceeding the amount specified in Sec. 980(3) TCA 1997 is subject to certain obligations, whether or not Capital Gains Tax liability arises on the disposal, unless the vendor produces to the purchaser a **certificate** under paragraph (8) of the Section. If the vendor does not produce the **specified certificate**, the purchaser, on payment of the consideration, is ordinarily obliged to deduct 15% of the consideration and to pay it over without delay to the Revenue Commissioners. If the consideration is of a kind from which the deduction cannot be made, e.g. where one asset is exchanged for another, the acquirer is obliged to notify the Revenue Commissioners of particulars of the acquisition and to pay to the Collector-General within seven days of the acquisition an amount equal to 15% of the market value of the consideration. Sec. 980 TCA 1997 extends to intra group asset transfers.

A **certificate** is issued, on application, to a vendor if any one of the grounds (a), (b) or (c) in the Vendor's Declaration on page 2 of Form CG50 is satisfied. If the disposal specified in the certificate falls through the certificate should be returned to the issuing District. Under no circumstances should it be used in any subsequent disposal of the asset by a different contract.

Where an asset is disposed of in parts to the same person or to persons acting in concert or to persons connected with one another, the amounts payable on all such transactions are aggregated as a single disposal for the purpose of the provision.