

# FORM CG1

## 2003 Capital Gains Tax Return



TAIN

Reference Number

GCD

Please quote your tax reference number in all correspondence or when calling at your Revenue office

Return Address

Use any envelope and write "Freepost" above the address

NO STAMP REQUIRED

### RETURN OF CAPITAL GAINS FOR YEAR ENDED 31 DECEMBER 2003

This Tax Return should be completed and returned to your Revenue office on or before 31 October 2004. Please read the notes on pages 3 and 4 before completing this form.

### YOU MUST SIGN THIS DECLARATION

I DECLARE that, to the best of my knowledge and belief, this form contains a correct return of all the chargeable gains and allowable losses accrued to me in the year ended 31 December 2003 in accordance with the provisions of the Taxes Consolidation Act 1997 (TCA 1997) and

I DECLARE that, to the best of my knowledge and belief, all the particulars given as regards reliefs claimed are correctly stated.

Signature

Date

Capacity of Signatory

Main Residence Address:  
(Registered Office, if a Company)

Show here your business address if different from your main residence address or registered office address.

I can be contacted by telephone during normal business hours at :

Name of Tax Adviser (if any)	Client's Ref. No.	Adviser's Telephone No.	Tax Adviser Identification No. (TAIN)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

# CAPITAL GAINS

(Write "NONE" where appropriate)

(A) Details of Disposal of Assets	Self			Spouse		
	No. of Disposals	Aggregate Consideration	Aggregate Acreage	No. of Disposals	Aggregate Consideration	Aggregate Acreage
Shares/Securities - Quoted		€			€	
- Unquoted		€			€	
Agricultural Land/Buildings	<input type="checkbox"/>	€	<input type="checkbox"/>	<input type="checkbox"/>	€	<input type="checkbox"/>
Development Land	<input type="checkbox"/>	€	<input type="checkbox"/>	<input type="checkbox"/>	€	<input type="checkbox"/>
Foreign Life Assurance Policies (Chargeable @ 40%)	<input type="checkbox"/>	€		<input type="checkbox"/>	€	
Offshore funds (Section 747A TCA 1997) chargeable @ 40%	<input type="checkbox"/>	€		<input type="checkbox"/>	€	
Commercial Premises	<input type="checkbox"/>	€		<input type="checkbox"/>	€	
Residential Premises	<input type="checkbox"/>	€		<input type="checkbox"/>	€	
Shares or Securities exchanged (Section 913(5) TCA 1997)	<input type="checkbox"/>	€		<input type="checkbox"/>	€	
Other	<input type="checkbox"/>	€		<input type="checkbox"/>	€	
<b>Total Consideration on Disposals</b>		€			€	

Indicate:

- If any disposal was between connected parties or otherwise not at arms length
- If any of the original acquisitions were between connected parties or otherwise not at arms length
- If the market value has been substituted for the cost of acquisition of any assets disposed of

Self

Spouse







(B) Amount of Gain/s (excluding Foreign Life Policies)	€	€
Amount of Loss/es	€	€
Previous Gains Rolled-over ( <i>now chargeable</i> )	€	€
Losses Brought Forward	€	€
Personal Exemption	€	€
Net Chargeable Gain / (Loss)	€	€

(C) In respect of net chargeable gains that arose in the period 1 January 2003 to 30 September 2003

Self

Spouse

Chargeable @ 20%	€	€	Tax Due =	€	€
Chargeable @ 40%	€	€	Tax Due =	€	€
Foreign Life Policies @ 40%	€	€	Tax Due =	€	€

In respect of net chargeable gains that arose in the period 1 October 2003 to 31 December 2003

Self

Spouse

Chargeable @ 20%	€	€	Tax Due =	€	€
Chargeable @ 40%	€	€	Tax Due =	€	€
Foreign Life Policies @ 40%	€	€	Tax Due =	€	€

If you are claiming a refund of Capital Gains Tax paid this year, tick  the box

(D) Claim to Reliefs ( <i>indicate relief claimed</i> ) <input checked="" type="checkbox"/>	Self	Spouse		€	€
Disposal of Principal Private Residence	<input type="checkbox"/>	<input type="checkbox"/>	Amount of consideration	€	€
Retirement Relief:					
- Within the Family	<input type="checkbox"/>	<input type="checkbox"/>	Consideration on disposal of qualifying assets	€	€
- Outside the Family	<input type="checkbox"/>	<input type="checkbox"/>	Consideration on disposal of qualifying assets	€	€
Other (specify) <input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	Amount of consideration	€	€

## Exempted Assets

The following gains are NOT chargeable to Capital Gains Tax:

- Gains on the disposal of property owned by you (house, apartment, etc.) which was occupied by you throughout your ownership as your only or main residence or was occupied by a dependent relative, rent free, throughout your ownership - except where the sale price reflects development value
- Gains on Government Loans and Debentures issued by certain Semi-State bodies
- Gains on Life Assurance policies (unless purchased from another person or taken out with certain foreign insurers), prize bonds, national instalment savings, betting and lotteries
- Gains on the disposal of wasting chattels (e.g. animals, private motor cars, etc.)
- Gains made by individuals on tangible movable property where the consideration does not exceed €2,540.

(In general, the transfer of assets between spouses as part of a separation or divorce agreement does not give rise to any CGT charge).

## Calculation of Chargeable Gains

In calculating the chargeable gain, relief is given to take account of the effect of inflation on the original cost price/market value of assets. With regard to all disposals made on or after 1 January 2003, this indexation relief will only apply for the period of ownership of the asset up to the 31 December 2002.

### Year in which Expenditure was incurred and Indexation Factors for 2003

74/75	75/76	76/77	77/78	78/79	79/80	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89
7.528	6.080	5.238	4.490	4.148	3.742	3.240	2.678	2.253	2.003	1.819	1.713	1.637	1.583	1.553
89/90	90/91	91/92	92/93	93/94	94/95	95/96	96/97	97/98	98/99	99/00	00/01	2001	2002	
1.503	1.442	1.406	1.356	1.331	1.309	1.277	1.251	1.232	1.212	1.193	1.144	1.087	1.049	

- No indexation relief is allowed for expenditure incurred within one year of a disposal
- There are restrictions on the availability of relief in development land cases (see below)
- The adjustment for inflation cannot operate to charge an amount in excess of the monetary gain or to transform a monetary loss into a gain, neither can it increase a monetary loss or transform a monetary gain into an allowable loss.

Also if, as a result of the adjustment for inflation, a loss would be substituted for a monetary gain or a gain for a monetary loss the disposal of the asset is treated as giving rise to neither a gain nor a loss.

## Development Land

If the asset disposed of was development land (which includes shares deriving the greater part of their value from development land) relief for inflation is restricted as follows:

- Only the current use value at date of acquisition, or at 6/4/74 if acquired earlier, may be indexed for inflation
- The cost at date of acquisition, or market value at 6/4/74 if acquired earlier, less the current use value at the appropriate date is allowed without indexation
- The enhancement expenditure, if any, is allowed without indexation.

These restrictions do not apply to an individual whose total disposals of development land in the year did not exceed €19,050.

## Losses

Losses for the current year and unused losses brought forward should be entered separately on the return in the appropriate boxes provided. The only losses which may be set off against gains on development land are losses which have been incurred on disposal of other development land.

## Personal Exemption

The first €1,270 of chargeable gains of an individual is exempted from tax. This exemption is not transferable between spouses.

## Rates of Capital Gains Tax

- The standard rate of capital gains tax is 20%
- A higher rate of 40% applies to disposals of certain foreign life assurance policies and foreign investment products.

## Retirement Relief

Relief from Capital Gains Tax may be due in certain circumstances on the disposal, by an individual over 55 years of age, of a business, farm, or shares in his/her family trading company. Relief may still be due where land previously used for farming by the individual was, immediately prior to the disposal, let as part of the EU Early Retirement Scheme.

## Companies

Companies are chargeable to Capital Gains Tax on chargeable gains from disposals of development land. They are chargeable to Corporation Tax in respect of all other chargeable gains.

## Non Residents

Non resident persons including companies are chargeable on gains from the disposal of:

- Land, buildings and minerals in the State,
- Exploration or exploitation rights in the Continental Shelf,
- Unquoted shares deriving the greater part of their value from land, buildings or minerals in the State or exploration and exploitation rights in the Continental Shelf,
- Assets which are used for the purpose of a trade carried on in the State.

## Due Date for Payment of Capital Gains Tax

Capital Gains Tax is subject to Self Assessment principles.

For 2003 and following years the tax year is divided into two periods for Capital Gains Tax payment purposes.

- "initial period" - 1 January to 30 September
- "later period" - 1 October to 31 December

The tax arising in respect of gains in the "initial period" must be paid on or before 31 October in that year and the tax due on gains in the "later period" is payable on or before 31 January following the end of the year of assessment. In part (C) of the return you are asked to give a breakdown of the net chargeable gains arising in each of these two periods for 2003.

## Surcharge, Interest and Penalties

This tax return should be submitted on or before the 31 October 2004. There is provision for a surcharge where the return is submitted after that date.

The surcharge is either:

- 5% of the amount of the tax due subject to a maximum of €12,695 where the return is submitted before 31/12/2004
- or**
- 10% of the amount of the tax due subject to a maximum of €63,485 where the return is submitted after 31/12/2004.

If a payment is late or inadequate, interest charges may arise.

The law provides for penalties for failure to make a return, or the making of a false return, or helping to make a false return, or claiming allowances or reliefs which are not due. These penalties include fines up to €126,970, up to double the tax in question and imprisonment.

**Further information on exemptions, reliefs and on Capital Gains Tax generally is contained in Booklet CGT 1, Guide to Capital Gains Tax, and Leaflet CGT2 - Capital Gains Tax - Revised due dates for 2003 and following years. Both guides are available from any Revenue office, from Revenue Forms and Leaflets Service at Lo Call 1890 30 67 06 (within ROI only) or from Revenue's website [www.revenue.ie](http://www.revenue.ie)**