



Small Business CGT Exemption

Each member has a lifetime CGT cap amount (**\$1,515,000 for 2019/20**) which is available to make a personal contribution into superannuation from the **sale of certain small business assets** and have the contribution excluded from the normal contribution caps. This enables members to have their balance boosted without exceeding those other superannuation caps.

The CGT cap can be used for amounts that are eligible under either the **15 year exemption** or the **retirement exemption**. The retirement exemption is limited to a **lifetime** limit of \$500,000.

A Capital gains tax cap **election** form must be completed by no later than the time the contribution is made to ensure the contribution is not counted against other caps.

Members are only eligible to make a contribution under the CGT exemptions if they meet the basic small business CGT concessions i.e. the **\$6 million net asset threshold**, or aggregated turnover of the business is less than \$2 million each year and the assets sold was an active asset of the business. The basic conditions and the other eligibility rules for the small business CGT concessions are complex.

You **must** check you are eligible before making this election and signing the declaration.

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