LOGBOOK PROJECT 8. QUESTION 2.3

ER WALT ACADEMY

CALCULATION OF CAPITAL GAINS TAX ON SALE OF PROPERTY

PROPERY X - CAPITAL GAINS TAX (CGT)			
PURCHASE PRICE		2 500 000,00	
AGETNS COMMISSION	Plus	200 000,00	
RENOVATIONS	Plus	400 000,00	
BASE COST	Equals	3 100 000,00	
SELLING PRICE		4 000 000,00	
PROFIT		900 000,00	FIRST R 2 000 000 iIS EXEMPT FROM GTA
CGT		-	

PROPERY Y - CAPITAL GAINS TAX			
PURCHASE PRICE		2 500 000,00	
AGETNS COMMISSION	Plus	200 000,00	
RENOVATIONS	Plus	400 000,00	
BASE COST	Equals	3 100 000,00	
SELLING PRICE		6 000 000,00	
PROFIT		2 900 000,00	
EXPEMTION	Minus	2 000 000,00	FIRST R 2 000 000 iIS EXEMPT FROM GTA
CGT PAYABLE ON	Equals	900 000,00	
18% CGT ON R 900 000	18%	162 000,00	FOR PRIVATE INDIVIDUALS
PROFIT		2 900 000,00	
MINUS CGT		162 000,00	
BALANCE PF PROCEEDS		2 738 000,00	

PROPERY Z - CAPITAL GAINS TAX			
PURCHASE PRICE		2 500 000,00	
AGETNS COMMISSION	Plus	200 000,00	
RENOVATIONS	Plus	400 000,00	
BASE COST	Equals	3 100 000,00	
SELLING PRICE		6 000 000,00	
PROFIT		2 900 000,00	
EXPEMTION	Minus	2 000 000,00	FIRST R 2 000 000 iIS EXEMPT FROM GTA
CGT PAYABLE ON	Equals	900 000,00	
18% CGT ON R 900 000	36%	324 000,00	FOR PROPERTY IN A TRUST
PROFIT		2 900 000,00	
MINUS CGT		324 000,00	
BALANCE OF PROCEEDS		2 576 000,00	