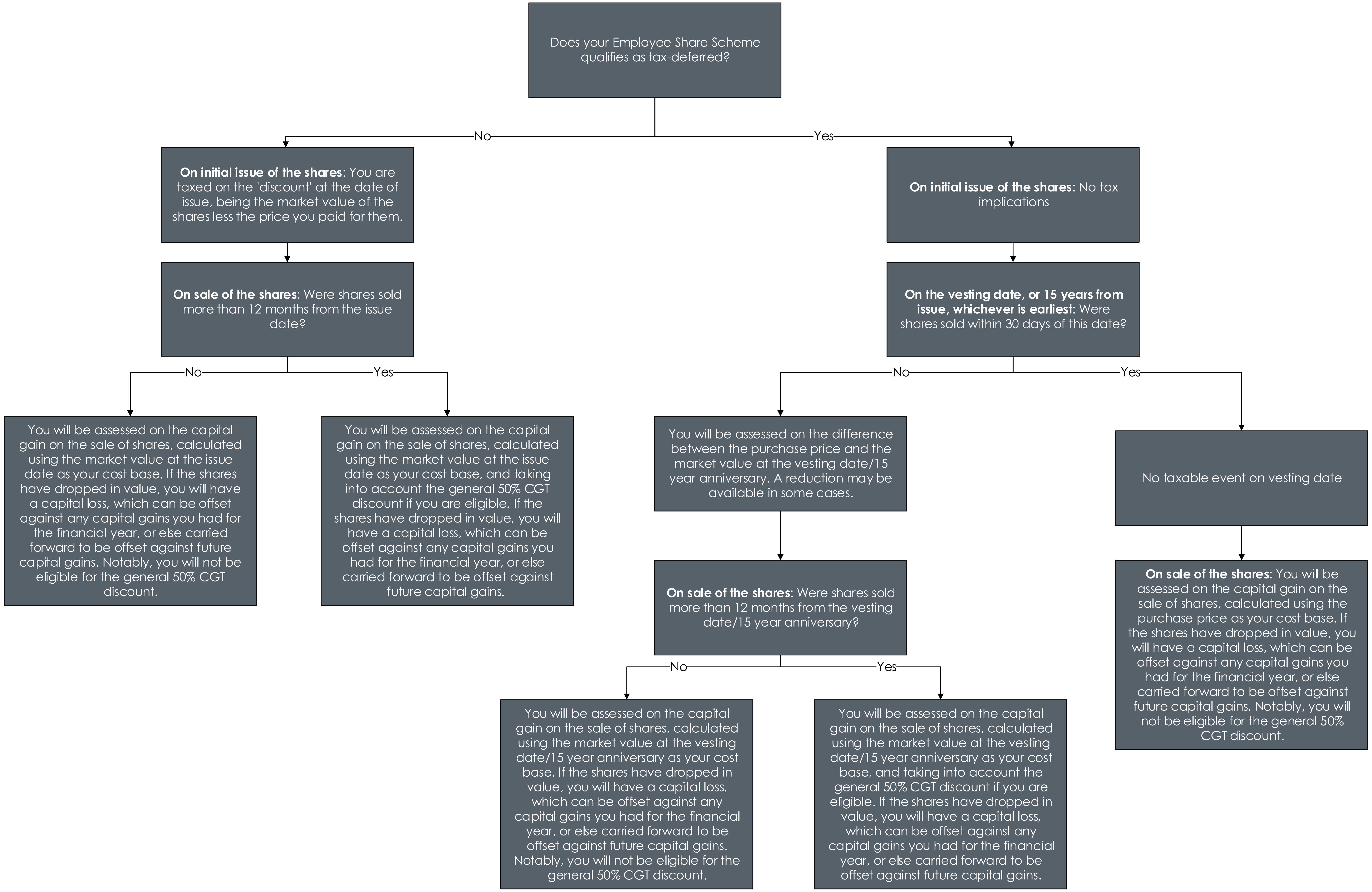
Does your Employee Share Scheme qualifies as tax-deferred?
No
Yes
On initial issue of the shares: You are taxed on the 'discount' at the date of issue, being the market value of the shares less the price you paid for them.
On sale of the shares: Were shares sold more than 12 months from the issue date?
No
Yes
You will be assessed on the capital gain on the sale of shares, calculated using the market value at the issue date as your cost base. If the shares have dropped in value, you will have a capital loss, which can be offset against any capital gains you had for the financial year, or else carried forward to be offset against future capital gains. Notably, you will not be eligible for the general 50% CGT discount.
You will be assessed on the capital gain on the sale of shares, calculated using the market value at the issue date as your cost base, and taking into account the general 50% CGT discount if you are eligible. If the shares have dropped in value, you will have a capital loss, which can be offset against any capital gains you had for the financial year, or else carried forward to be offset against future capital gains.
On initial issue of the shares: No tax implications
On the vesting date, or 15 years from issue, whichever is earliest: Were shares sold within 30 days of this date?
No
Yes
You will be assessed on the difference between the purchase price and the market value at the vesting date/15 year anniversary. A reduction may be available in some cases.
On sale of the shares: Were shares sold more than 12 months from the vesting date/15 year anniversary?
No
Yes
You will be assessed on the capital gain on the sale of shares, calculated using the market value at the vesting date/15 year anniversary as your cost base. If the shares have dropped in value, you will have a capital loss, which can be offset against any capital gains you had for the financial year, or else carried forward to be offset against future capital gains. Notably, you will not be eligible for the general 50% CGT discount.
You will be assessed on the capital gain on the sale of shares, calculated using the market value at the vesting date/15 year anniversary as your cost base, and taking into account the general 50% CGT discount if you are eligible. If the shares have dropped in value, you will have a capital loss, which can be offset against any capital gains you had for the financial year, or else carried forward to be offset against future capital gains.
No taxable event on vesting date
On sale of the shares: You will be assessed on the capital gain on the sale of shares, calculated using the purchase price as your cost base. If the shares have dropped in value, you will have a capital loss, which can be offset against any capital gains you had for the financial year, or else carried forward to be offset against future capital gains. Notably, you will not be eligible for the general 50% CGT discount.