

Blank Undo		INFRASTRUCTURE COMPANY											
Year		0	1	2	3	4	5	6	7	8	9	10	
Pre-tax													
Value net assets		1000	1100	1210	1331	1464	1560	1662	1772	1890	2017	1960	Asset value
Net receipts		0	0	0	0	0	220	226	232	240	249	258	
Cash flow		-1000	0	0	0	0	51	53	56	59	62	2219	
Pre-tax return %	IRR Clr		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0	
Post-tax													
Tax value		1000	1000	1000	1000	1000	1119	1243	1374	1512	1658	1619	Tax value
Change in tax value			0	0	0	0	-50	-48	-45	-43	-41	-39	
Balancing adjustmt			5% depreciation on \$1000 cap expenditure				0	0	0	0	0	341	Depreciation balancing adjustment on asset sale
CGT bal adj			Entity tax rate 30%				0	0	0	0	0	0	
Post-tax cash flow		-1000	0	0	0	0	0	0	0	0	0	2050	
Acc tax paid			0	0	0	0	51	104	160	220	282	450	
Post-tax return %	IRR Clr		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.4	Entity's return higher than 7% because of no tax on up-front accrued gains
SHAREHOLDERS													
Retain entity/sell (0/1)			0	0	0	0	0	0	0	0	0	0	Shares never sold
Retain/distribute			0	0	0	0	0	0	0	0	0	1	No cash distributed until liquidation
Value (share)		1000	1100	1210	1331	1464	1611	1766	1933	2110	2299	0	
Tax value (share)		1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	0	
Franked div (share)			0	0	0	0	0	0	0	0	0	1050	
Unfranked div (share)			0	0	0	0	0	0	0	0	0	0	
Return of cap (share)		-1000	0	0	0	0	0	0	0	0	0	1000	
Tax paid			0	0	0	0	0	0	0	0	0	255	
CGT base	Shareholders' taxed at 47%		0	0	0	0	0	0	0	0	0	0	
CGT			0	0	0	0	0	0	0	0	0	0	
Post-tax cash flow		-1000	0	0	0	0	0	0	0	0	0	1795	
Post-tax return			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Return(sales)	Delete												6.03%
Acc overall i/tax paid			0	0	0	0	51	104	160	220	282	705	
With no distributions before liquidation, \$1000 of cash on liquidation returns the original \$1000 capital contributed. Thus, with no prior selling of shares, the original shareholders make no capital gain or loss on liquidation.													
Extra tax revenue beyond \$583 from infrastructure asset because of cash retained in bank account													

INFRASTRUCTURE COMPANY: FULL IMPUTATION WITH NO DISTRIBUTION OR SALES OF SHARES EACH YEAR