



Capel Vale Wine, but which one for dinner?

Capel Vale's Vineyards are to be found two kilometres from the Indian Ocean on the banks of Capel River and also at Mount Barker, the only true cool climate region in Western Australia, and why Capel Vale also sources grapes from all over the south west.

Winemaker Rob Bowen says that the advantages of this geographical split is that a cooling south westerly breeze visits the temperate Capel River almost every afternoon.

This results in the vines "shutting down" so that growing and ripening takes place only in the mornings.

This longer ripening period contributes to the flavour build up of the grapes. By contrast the fruit from Mount Barker has different qualities, the soil is the oldest above sea level in the world. This, along with the cool ripening period, has the effect of producing intense flavours in the grapes.

When mixed and blended, the fruit from these regions form the basis of Capel Vale's well balanced premium wines.

This month we have selected a range of Capel Vale wines at special members prices for you to try.

Capel Vale Sauvignon Blanc Semillon

A traditional Bordeaux blend with the taste of each variety complementing the other.

Meal Tip

Ideal with seafood and salads.

\$15.95 each

Capel Vale Chardonnay

Fashioned in the style of the great French white Burgundy.

Meal Tip

It is perfect to drink with foods of moderate flavour intensity including light meat dishes.

\$18.50 each

1994 Capel Vale Shiraz

A vibrant, purple spicy shiraz, the winemaker secret recipe was to harvest the fruit from several vineyards rather than one.

Meal Tip

Ideal complement to meats and lightly spiced foods, ideal with roast lamb.

\$16.55 each

1994 Cabernet Sauvignon

A medium bodied Bordeaux style is based on Cabernet Sauvignon from Margaret River as well as a small amount of merlot from Capel.

Meal Tip

Ideal with red meat, particularly beef.

\$16.55 each

(from page 15).

Ruling TR95/35 and the threat of grossed-up damages

bit of little "p" policy being changed). TLIP is widely acknowledged to have a slightly freer brief with CGT than with other areas, as there are some real messes in there which they will have to contend with and hopefully fix up in the re-write.

The ATO believes it has given the TLIP team a guide as to the big "P" policy in its ruling, which is that we should avoid wholesale grossing-up of damages and blood in the streets (though perhaps they think a little of this is a good thing - I hope not).

I hope, however, that the TLIP team does not set about reproducing this convoluted, still somewhat leaky band-aid as the basis for their re-write. In my opinion the solution is to exclude rights to seek compensation from the definition of "asset" and do whatever is required to link the compensation to the underlying asset where there is one. In other words, we need to get to the English position. And to do this we would also need to exclude compensation receipts from the catch-all position (s160M(7)).

In summary, the ruling is a creditable attempt to fix an absurd situation, but it is a band-aid approach, is convoluted, and wasn't as brave as it could have been in the interests of finding a total solution.

Notes

John Morgan is the tax partner with Phillip Fox's Melbourne office and has been involved in LIV Council sub-committee representations to Government in the ATO draft ruling.

1. 93 ATC 4293
2. 93 ATC 4424
3. Following the change of government after the March election, the fate of this project is not known. The Coalition policy is to "improve" the substance of the law, not just the words.

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