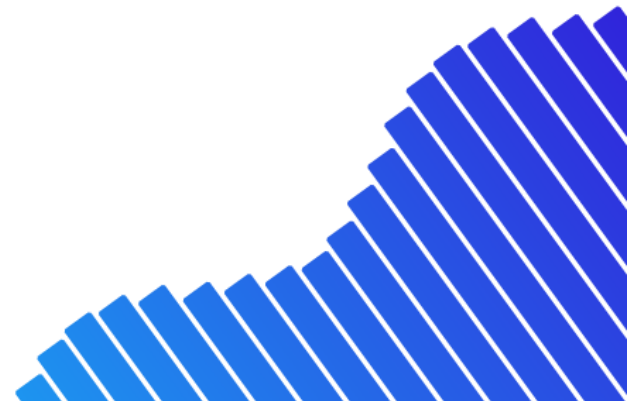


Trust Tax Time checklist 2023

Written by The Tax Institute's Tax Policy and Advocacy Team

Correct as of 20 July 2023



Introduction

This year, there have been some significant changes to the trust tax return (TTR) that will impact your clients and their tax affairs. These include, but are not limited to:

- changes to the ATO's administration of section 100A of the ITAA 1936;
- changes to the ATO's approach to unpaid present entitlements (UPEs); and
- the impact of the Carter decision on a beneficiary's entitlement.

New measures have also been introduced, such as the small business boosts, that implement some of the Government's key long awaited measures and provide taxpayers with much needed certainty regarding their tax affairs. To assist practitioners in preparing the 2023 TTR, we have prepared a series of checklists that highlight key changes and commonly overlooked provisions.

IMPORTANT

These checklists do not contain a comprehensive or exhaustive list of issues you need to consider for your clients when preparing their 2023 TTR. Nor do they purport to serve as a complete set of instructions in how to complete every label of the TTR form.

These checklists serve as a guide to a range of issues that should be considered when preparing TTR. They do not constitute advice, nor do they provide a detailed explanation of whether a taxpayer may be eligible for a deduction or a tax concession, or whether the relevant conditions for a provision or administrative approach apply or do not apply. There may be other considerations that should be taken into account in determining your clients' tax outcomes.

Contents

	Page
Introduction	1
Record-keeping requirements.....	2
Overview of key changes.....	7
Checklists.....	8
Trust information	8

Business status.....	11
Income.....	12
Deductions.....	19
Capital allowances.....	25
Distributions to beneficiaries.....	28
Trust tax losses.....	42
Other labels.....	45
Conclusion.....	47
ATO resources.....	47
2022-23 tax rates and thresholds.....	48
Final thoughts.....	48
Abbreviations and acronyms.....	48
Legislative abbreviations.....	48
Acronyms and other abbreviations.....	49
Further guidance and information.....	50

Record-keeping requirements

Business records

Maintaining good records is essential for not only preparing the TTR, but to ensure that taxpayers can substantiate their deduction claims in the event of a review or an audit or by the ATO.

A business must retain records relevant for any tax purpose that evidence and explain all transactions and other activities the business is engaged in.

[Subsection 262A\(2\)](#) of the ITAA 1936 prescribes the records to be retained including:

- any documents relevant for the purpose of ascertaining a taxpayer's income and expenditure; and
- documents containing particulars of any election, estimate, determination or calculation made by the taxpayer for tax purposes. In the case of an estimate, determination or calculation, the particulars should show the basis on which, and the method by which, the estimate, determination or calculation was made.

Generally, all relevant records must be kept:

- for five years after they were prepared or obtained, or five years after the completion of the transactions or acts to which they relate, whichever is the later (this period may be extended in certain circumstances); and

- in writing and in English – records may be retained electronically as long as the records are in a form the ATO can access and understand to ascertain the tax liability.

More information can be found in [TR 2018/2](#) *Income tax: record keeping and access – electronic records*.

Retention of trust records

Separate to any requirements under the tax law, it is also prudent for trustees to retain the following records:

- a copy of the trust deed (including any amendments to the trust deed);
- a copy of all trustee resolutions;
- detailed statement of assets and liabilities;
- the names in which business contracts are made;
- a record of the name and contact details of the trustee at year end; and
- where the trustee is an employer – records that show the trustee has met its obligations under the choice of superannuation fund rules.

More information can be found on the ATO website [here](#).

It can also be useful for the trustee to retain:

- a record of the details of any family trust elections and/or interposed entity elections made by the trust (such as the year in which the election was made, the name of the individual specified in the election and whether the election has been varied or revoked);
- a record of the details provided by beneficiaries for the purpose of the closely held TFN reporting rules (to evidence that the trustee was not required to withhold from distributions made to those beneficiaries);
- a summary of the details of individual trustees/corporate trustee, the trust's vesting date, the appointor, the eligible income and capital beneficiaries, and the takers on vesting (see [TR 2018/6](#)).

Record-keeping for tax losses

Where a trust incurs a tax loss, the trustee may need to retain records longer than five years from the date on which the loss was incurred. For a trust to deduct a current or prior year tax loss, the trust needs to pass certain tests contained in the trust loss provisions in Schedule 2F to the ITAA 1936. The trust loss provisions are explained in further detail on **page 42**.

Generally, tax losses can be carried forward indefinitely until they are applied by recoupment against current year taxable income. When applied, the loss amount is used in calculating the trust's net income and the beneficiaries' taxable income in that income year. The trust should keep records substantiating the balance of a year's tax losses until the amendment period for the trustee's or beneficiaries' assessment for the recoupment year in which the losses are fully applied has lapsed.

More information about the trust loss provisions can be found [here](#). Refer to [TD 2007/2](#) for information about the record-keeping requirements when a trust incurs a tax loss.

Capital gains tax (CGT) record-keeping

Adequate records must be retained so that the trustee can correctly determine the capital gain or loss made when a CGT event happens to a CGT asset owned by the trust.

A trustee must keep records:

- relating to the ownership of the CGT asset and all the costs of acquiring and disposing of property;
- of relevant matters that affect the calculation of the trust's capital gains and losses;
- until the end of any period of review for the income year in which a capital loss is fully applied; and
- of the CGT event that resulted in the loss where a trust has applied a net capital loss.

Penalties may apply where the trustee does not keep the necessary records for at least five years after the relevant CGT event. The trustee should generally keep records longer where the trustee uses the information from those records in a later tax return.

More information can be found in the ATO's [Guide to capital gains tax 2023](#) and [TD 2007/2](#).

Record-keeping for overseas transactions

Records of overseas transactions in which the trust is involved, or has an interest, during the income year should be retained.

The involvement and/or interest can be:

- direct or indirect – e.g. through other entities; or
- vested or contingent – this includes where the trust has direct or indirect control of:
 - any income from sources outside Australia not disclosed elsewhere on the tax return; or
 - any property, including money, located outside Australia – where this is the case, taxpayers should retain records showing:
 - the location and nature of the property;
 - the name and address of any partnership, trust, business, company, or other entity in which the trust has an interest; and
 - the nature of the interest.

If an overseas interest was created by exercising any power of appointment, or if the trust had an ability to control or achieve control of overseas income or property, records should be kept of:

- the location and nature of the property; and
- the name and address of any partnership, trust, business, company, or other entity in which the trust has an interest.

Where no trustee is an Australian resident, the obligation is on the public officer to keep this information.

A trust with overseas transactions may be required to complete the [International dealings schedule](#) (IDS).

More information about this can be found [here](#).

Purchase or sale of a business during the income year

Trustees must keep records of the following:

- the name and address of the other party to the transaction;
- the purchase or sale price, including details of the allocation of purchase or sale price to all items purchased or sold, including stock on hand and depreciating assets; and
- a copy of the contract of purchase or sale.

If no trustee is an Australian resident, the onus is on the public officer to keep this information.

More information can be found on the ATO website [here](#).

Appointment of public officer where no resident trustee

Where a trust operates a business in Australia or derives income from Australian property and does not have an Australian resident trustee, a public officer is generally appointed. The public officer must be a natural person, aged at least 18 years, residing in Australia, who is capable of understanding the nature of their appointment as the public officer. The appointment of a public officer is made by giving written notice, specifying the name and address of the public officer, to the Commissioner.

A trust does not need to appoint a public officer if the Commissioner has granted an exemption in writing, or the Australian income of the trust consists solely of dividends, interest or royalties that are subject to withholding tax.

If the trustee does not appoint a public officer, they may be prosecuted. A fine of up to one penalty unit may be imposed for each day that the trustee fails or neglects to meet the requirements. The amount of one penalty unit (currently \$313) can be found on the ATO website [here](#).

The public officer has the same obligations as the trustee under the ITAA 1936, the ITAA 1997 or the relevant regulations and is liable to the same penalties as the trustee.

More information on record-keeping for trusts can be found on the ATO website [here](#).

Trust disclaimers

The High Court's decision in [Commissioner of Taxation v Carter](#) [2022] HCA 10 (*Carter*) provides useful clarifications regarding the requirements for a valid disclaimer. The High Court's decision raises three key principles for valid disclaimers, being:

- the disclaimer must reject the entirety of the beneficiary's interest;
- the disclaimer must be executed prior to the end of the accounting period to be effective for tax purposes for that accounting period – this means that the beneficiary cannot retrospectively expunge or alter the rights that existed just before midnight on 30 June of the relevant income year; and
- a valid distribution does not require the assent of the beneficiary. However, the creation of beneficiary entitlements can occur without a beneficiary's knowledge.

It should be noted that *Carter* does not overturn the existing precedent in [Commissioner of Taxation of the Commonwealth of Australia v Ramsden](#) [2005] FCAFC 39, which states that a beneficiary can validly disclaim their interest in a share of trust income after the end of the income year for trust law purposes. *Carter* confirms that, once a present entitlement to a share of trust income is conferred on a beneficiary for an income year, nothing can prevent the beneficiary's liability to income tax under tax law based on the beneficiary's proportionate share of the trust's net income – even if they have subsequently disclaimed their interest under trust law.

In practice, a number of things need to be considered when advising clients about disclaiming their trust interests:

- it is important that beneficiaries understand their rights under the trust deed and disclaim as soon as practicable after being made aware of their entitlement – this includes understanding the extent to which the trustee seeks to stream any capital gains or franked distributions to particular beneficiaries, if the trust deed allows it; and
- disclaimers made after 30 June cannot avert the beneficiary's tax liability – if the beneficiary is a default beneficiary, amendments to the trust deed may be necessary if the beneficiary genuinely intends to disclaim their interest.

The ATO's view of the decision can be found in the [decision impact statement](#) for *Carter*. Further, the ATO has withdrawn [ATO ID 2010/85](#), with new updated guidance to be released.

Overview of key changes

Corporate collective investment vehicles

The new regulatory and tax framework for corporate collective investment vehicles (CCIVs)¹ leverages the existing trust taxation framework and the existing attribution flow-through regime for attribution managed investment trusts (AMITs).

A CCIV sub-fund trust that satisfies the applicable AMIT eligibility requirements in Division 276 of the ITAA 1997 for an income year will be treated as an AMIT for that year. Such a CCIV sub-fund trust must lodge an Attribution CCIV sub-fund tax return for that income year.

If a CCIV sub-fund trust fails to meet the modified AMIT eligibility criteria in Division 276 of the ITAA 1997, it will be taxed in accordance with the general trust provisions. This type of CCIV sub-fund trust must lodge a TTR for that income year. However, if Division 6C of Part III of the ITAA 1936 applies to the trust, it must lodge a Company tax return (CTR).

More information about CCIVs can be found [here](#).

Small business boosts

Eligible small businesses with an aggregated turnover of less than \$50 million can claim a bonus deduction of 20% for eligible expenditure on:

- external training courses (**skills and training boost**)²; and
- digital technology, capped at \$100,000 of expenditure per annum (**technology investment boost**)³ – this includes business expenses and depreciating assets that support their digital adoption, such as portable payment devices, cyber security systems or subscriptions to cloud based services.

See below for more information about this.

Interest on early payments

From 1 July 2021, Interest on early payments will be automated for eligible early payments. As a result, **item 7 Credit for interest on early payments – amount of interest** has been removed from the TTR from the 2022–23 income year onwards.

¹ See the [Corporate Collective Investment Vehicle Framework and Other Measures Act 2022](#).

² Given effect by Schedule 4 to the [Treasury Laws Amendment \(2022 Measures No. 4\) Act 2023](#).

³ Given effect by Schedule 5 to the [Treasury Laws Amendment \(2022 Measures No. 4\) Act 2023](#).

Australian carbon credit units – primary producers

Recent changes to the taxation of Australian Carbon Credit Units (ACCUs) means that⁴:

- individual primary producers to treat certain income they receive from the sale of ACCUs that they start to hold on or after 1 July 2022 as primary production income for the purposes of the farm management deposit scheme and tax averaging arrangements; and
- eligible individual primary producers who receive registered ACCUs on or after 1 July 2022 to be taxed only on the disposal of those units (in some circumstances), and not having to account for the change in value of those units at the end of each income year they are held.


Individual beneficiaries of a trust that carries on a primary production business may be eligible to treat that part of their share of the net income of the trust attributable to the disposal of eligible ACCUs as primary production income. Individual beneficiaries who are eligible to treat that part of their share of the net income of the trust attributable to the disposal of eligible ACCUs as primary production income:

- include at **item 58** *Statement of distribution – Share of income*, **label A** *Primary production* the beneficiary's share of the net income of the trust attributable to the trust's disposal of eligible ACCUs; and
- do not include these amounts at **item 58** *Statement of distribution – Share of income*, **label B** *Non-primary production*.



More information about the taxation of ACCUs can be found [here](#).



Checklists

Trust information


Description	Tax return item Reference	
Trustee details The full name and ABN of corporate trustees are required to be reported. There will be circumstances where this cannot be completed as the trustee company will not have an ABN.	Full name of the trustee to whom notices should be sent	

⁴ See the [Treasury Laws Amendment \(2023 Measures No. 2\) Act 2023](#).


Description	Tax return item Reference	
<p>Variations to family trust elections (FTEs) and interposed entity elections (IEEs)</p> <p>If a trustee has made an FTE and/or an IEE in a prior income year, the specified test individual and entities may be changed (subject to certain conditions).</p> <p>The test individual specified in an FTE can be varied where:</p> <ul style="list-style-type: none"> the new test individual was a member of the family of the original test individual at the election commencement time; there have been no conferrals of present entitlement to, and distributions of, income or capital (by the trust or an interposed entity) outside the new test individual's 'family group' during the period in which the FTE has been in force; and the trust meets the related conditions in subsections 272-80(5A), (5B), (6B) and (8) of Schedule 2F to the ITAA 1936, which includes specific time periods during which the test individual specified in an FTE can be varied. <p>The test individual can be varied if, as a result of a family law order, agreement or award arising from a marriage or relationship breakdown, the control of the trust passes to the new specified individual and/or members of their family.</p> <p>More information can be found on the ATO website here.</p>	<p>Family trust election status</p> <p>Sections 272-75 and 272-80 in Schedule 2F to the ITAA 1936</p>	
<p>CCIV sub-fund trust</p> <p>A CCIV sub-fund trust is all or part of the CCIV's business and registered by ASIC as a sub-fund of the CCIV. A CCIV may have more than one CCIV sub-fund trust.</p> <p>More information can be found on the ATO website here.</p>	<p>CCIV sub-fund trust</p>	


Description	Tax return item Reference	
<p>Managed investment trusts (MITs)</p> <p>A MIT is a type of trust in which members of the public collectively invest in passive income activities, such as shares, property or fixed interest assets. A trust qualifies as a MIT if it meets certain requirements in each income year.</p> <p>MITs are subject to special rules and afforded concessions, such as electing for gains and losses on eligible assets to be taxed on capital account.</p> <p>More information can be found on the ATO website here.</p>	<p>Managed investment trust</p>	
<p>Trustee liability to pay tax – trust net income to which no beneficiary is presently entitled</p> <p>The trustee is assessed for tax on any net income of the trust to which no beneficiary is presently entitled.</p> <p>Generally, section 99A of the ITAA 1936 applies in such cases unless an exception under section 98(2) applies. This section does not apply to trust estates resulting from:</p> <ul style="list-style-type: none"> • a will or codicil • an intestacy in relation to a deceased estate • a bankrupt estate • a family maintenance trust • where the Commissioner otherwise determines that it would be unreasonable for section 99A to apply to the trust in the relevant income year. 	<p>Is any tax payable by the trustee?</p> <p>Section 99A of the ITAA 1936</p>	



Business status



Description	Tax return item Reference	
<p>(continued ...)</p> <p>Where section 99A applies to a trust, the trustee is taxed at the top marginal tax rate (i.e. 45% plus 2% Medicare levy).</p> <p>Where section 99A does not apply to a trust but there is net income of the trust to which no beneficiary is presently entitled, the trustee is instead assessed for tax under section 99 of the ITAA 1936. In such cases, the trustee is generally assessed at the marginal tax rates of the beneficiary/beneficiaries (with a tax-free threshold) rather than at the top marginal tax rate under section 99A and no Medicare levy applies.</p>	<p>Is any tax payable by the trustee?</p> <p>Section 99 of the ITAA 1936</p>	
<p>Status of business – Significant global entity (SGE)</p> <p>Generally, a trust will be an SGE where:</p> <ul style="list-style-type: none"> it is a global parent entity (GPE) with an annual global income of A\$1 billion or more; a member of a group of entities consolidated for accounting purposes and one of the other group members is a GPE with an annual global income of A\$1 billion or more; or a member of a notional listed company group and one of the other group members is a GPE with an annual global income of A\$1 billion or more. <p>NOTE</p> <p>Where a trust is an SGE, it will need to determine whether it is a Country by country (CBC) reporting entity and therefore whether it has annual CBC reporting obligations. If the trust is a CBC reporting entity, it must complete label 2G2.</p> <p>More information can be found on the ATO website here.</p>	<p>Section 960-555 of the ITAA 1997</p> <p>2G1 Significant global entity</p> <p>2G2 Country by country reporting entity</p> <p>Sections 815-370, 815-375 and 815-380 of the ITAA 1997</p>	



Income


Description	Tax return item Reference	
<p>Net small business income and small business income tax offset</p> <p>The net small business income is the assessable income of a small business entity (SBE) disregarding:</p> <ul style="list-style-type: none"> • net capital gains; and • PSI not produced from conducting a PSB, <p>less deductions attributable to the assessable income.</p> <p>If a trust is an SBE for tax purposes, the net small business income reported at label 5V should be equal to the sum of all amounts disclosed at label 58Y in the Statement of distribution for each beneficiary.</p> <p>The amount of the small business income tax offset is based on the net small business income and is capped at \$1,000 for an income year.</p> <p>TRAP</p> <p>The cap of \$1,000 applies irrespective of the number of small business entities that entitle the taxpayer to the tax offset.</p> <p>More information on the small business income tax offset can be found here.</p>	<p>5V Net small business income</p> <p>57Y Share of net small business income</p> <p>Sections 328-360 and 328-365 of the ITAA 1997</p>	



Description	Tax return item Reference	
<p>Franked distributions and franking credits</p> <p>Where a trust receives franked distributions either directly from a company or indirectly through a distribution from another trust, the amounts disclosed at the relevant labels should be split as follows:</p> <ul style="list-style-type: none"> ● Franked distributions from trusts: <ul style="list-style-type: none"> ○ report the share of the franked distribution plus the franking credits attached to the distribution at label 8F; and ○ report the franking credits attached to the distribution at label 8D. <p>More information on franked distributions from trusts can be found here.</p> ● Franked dividends from companies: <ul style="list-style-type: none"> ○ report the amount of franked dividends received (before any TFN amounts were withheld) at label 12L; and ○ report the franking credits received at label 12M. <div data-bbox="165 1227 1027 1603"> <p>NOTE</p> <p>Where a beneficiary of a closely held trust does not provide their TFN to the trustee before they receive a distribution or become presently entitled to a share of the trust income, the trustee may be required to withhold from payments or distributions. The amounts withheld by a closely held trust should be included at label 8O <i>Credit for TFN amounts withheld from payments from closely held trusts</i>.</p> </div> <p>More information on dividends can be found here.</p>	<div data-bbox="1042 622 1307 1496"> <p>8F Franked distributions from trusts</p> <p>8D Share of franking credits from franked distributions</p> <p>12L Franked amount</p> <p>12M Franking credits</p> <p>8O Credit for TFN amounts withheld from payments from closely held trusts</p> </div> <p>Sections 12-175 and 12-180 of Schedule 1 to the TAA</p>	

Description	Tax return item Reference	
<p>Credits for foreign resident withholding</p> <p>Under the foreign resident withholding rules, some payments made to certain kinds of partnerships and trusts are subject to withholding tax in Australia. These payments relate to entertainment, sports activities, construction related activities and casino gaming junket activities.</p> <p>The trust's share of credits for amounts withheld under the foreign resident measure should be reported at label 8U.</p> <p>Each beneficiary's share of such credits should be reported at label 58L under each beneficiary's Statement of distribution.</p> <p>The trust's share of tax paid by a trustee for non-resident beneficiaries under section 98 of the ITAA 1936 should not be included under these labels. These amounts are disclosed in the Statement of distribution for the relevant beneficiaries of the trust.</p> <p>More information can be found on the ATO website here.</p>	<p>8U Share of credit for tax withheld – foreign resident withholding (excluding capital gains)</p> <p>58L Share of credit for tax withheld – foreign resident withholding (excluding capital gains)</p>	
<p>Withholding from foreign resident capital gains</p> <p>Where a trust has withheld amounts from capital gains made by a foreign resident beneficiary, the amount withheld should be reported at the following labels to allow tax credits to be claimed on these amounts:</p> <ul style="list-style-type: none"> ● Label 8U <i>Share of credit for tax withheld – foreign resident withholding (excluding capital gains)</i> <ul style="list-style-type: none"> ○ Report at this label credits the trust receives from trust distributions relating to foreign resident capital gains ● Label 21A <i>Net capital gain</i> <ul style="list-style-type: none"> ○ Report at this label the total net capital gains, including any credits for foreign resident capital gains withholding ● Label 21B <i>Credit for foreign resident capital gains withholding amounts</i> 	<p>Section 14-200 of Schedule 1 to the TAA</p> <p>8Z Share of credit for tax withheld – foreign resident withholding</p> <p>21A Net capital gains</p> <p>21B Credit for foreign resident capital gains withholding amounts</p>	

Description	Tax return item Reference	
<p>Capital gains</p> <p>Generally, capital gains from a CGT event or received as a trust distribution should be reported under the relevant labels in item 21.</p> <p>If the trust's total current year capital gains or losses are \$10,000 or more, the CGT schedule will also need to be completed. In addition, the question <i>Have you attached any 'other attachment'?</i> on page 1 of the return form should be marked 'Yes'.</p> <p>NOTE</p> <p>Any capital gains, whether made directly by the trust itself or received through a distribution from another trust, should not be disclosed under items 5 to 8 of the tax return form.</p> <p>More information on capital gains can be found here.</p>	<p>21 Capital gains</p>	
<p>Capital gains – Rollovers and exemptions</p> <p>If a trust has deferred or disregarded capital gains during the income year as a result of a CGT rollover or exemption, the answer to label 21M should be 'Yes'. Further details should be provided if the trust is required to complete a CGT schedule for the current income year.</p> <p>If lodging electronically, all relevant CGT rollover and exception codes should be provided at label 21M. If lodging by paper, the CGT rollover or exception with the largest associated capital gains should be disclosed instead.</p> <p>NOTE</p> <p>Even if all the trust's capital gains were deferred or disregarded due to the application of CGT rollovers and exemptions, the answer to label 21G <i>Did you have a CGT event during the year?</i> should still be 'Yes'.</p> <p>A list of the CGT rollover and exemption codes can be found on the ATO website here.</p>	<p>21M Have you applied an exemption or rollover?</p> <p>Section 100-30 of the ITAA 1997</p> <p>21G Did you have a CGT event during the year?</p>	

Description	Tax return item Reference	
<p>Foreign income</p> <p>Where a trust receives foreign income during the income year, these amounts should be reported under item 22 and/or item 23.</p> <p>NOTE</p> <p>Foreign income should not be included in the labels to items 5 to 8.</p>	<p>22 Attributed foreign income</p> <p>23 Other assessable foreign income – other than income shown at Item 22</p>	
<p>Attributable foreign income</p> <p>Where the trust holds interest in a controlled foreign company (CFC), foreign investment fund (FIF), transferor trust, or receives foreign dividends or branch profits, label 22S should be answered ‘Yes’.</p> <p>In such cases, an IDS will need to be completed and attached to the trust tax return. In addition, the question <i>Have you attached any ‘other attachment’?</i> on page 1 of the return form should be marked ‘Yes’.</p> <p>More information can be found on the ATO website here.</p>	<p>22S Did you have overseas branch operations or a direct or indirect interest in a foreign trust, foreign company, controlled foreign entity or transferor trust?</p>	

Description	Tax return item Reference	
<p>Personal services income</p> <p>Where the trust has received PSI that has been derived by an individual, the trust must report:</p> <ul style="list-style-type: none"> at label 30A the total amount of gross PSI that is included in the income labels at item 5 at label 30B the deductions against that PSI that is included in the expense labels at item 5. <p>The net amount of label 30A and label 30B should match the amount declared at item 9 <i>Attributed personal services income</i> of the individual's tax return (ITR) for 2023.</p> <p>Where the trust received PSI during the income year, label 30N should also be answered 'Yes'.</p> <p>NOTE</p> <p>The two amounts at labels 30A (income) and 30B (expenses) give a net figure. This amount should reconcile to the amounts reported at label 5A <i>Income reconciliation adjustments</i> and label 5B <i>Expense reconciliation adjustments</i>.</p> <p>As such, the net amount of PSI received by the trust should be adjusted out of the final net income of the trust shown at item 26 <i>Total net income or loss</i>.</p> <p>TRAP</p> <ul style="list-style-type: none"> Throughout the income year, businesses may have utilised one of the ATO's two simplified methods for working out the attributed income for PAYG withholding purposes. This will usually result in the amount on which PAYG withholding is based and remitted during the income year being different to the amount of attributed income that is reported, and the credit for the PAYG withholding that is claimed, in the 2023 ITR. <p>More information on PSI can be found here.</p>	<p>30A Total amount of PSI included at item 5 income labels</p> <p>30B Total amount of deductions against PSI included at item 5 expense labels</p> <p>Section 86-15 of the ITAA 1997</p>	

Description	Tax return item Reference	
<p>Taxation of financial arrangements (TOFA)</p> <p>The TOFA rules seek to align the taxation of certain financial instruments with the commercial and economic recognition of gains and losses on such items.</p> <p>The TOFA rules apply to an entity where it is:</p> <ul style="list-style-type: none"> • an authorised deposit-taking institution (ADI), a securitisation vehicle or a financial sector entity with an aggregated turnover of \$20 million or more • a superannuation entity, a managed investment scheme or a similar scheme under a foreign law if the value of the entity's assets is \$100 million or more • any other entity (except an individual) that has any of the following: <ul style="list-style-type: none"> ○ an aggregated turnover of \$100 million or more ○ assets of \$300 million or more ○ financial assets of \$100 million or more. <p>The amounts reported at label 31M Total TOFA gains and label 31N Total TOFA losses are for disclosure purposes only and do not impact the calculation of the trust's net income at item 26.</p> <p>These amounts should reflect the TOFA gains and losses reported under the income and expenses disclosed in items 5 to 11 of the tax return.</p> <p>More information can be found on the ATO website here.</p>	<p>31 Taxation of financial arrangements (TOFA)</p> <p>Section 230-5 of the ITAA 1997</p>	
<p>Income of the trust estate</p> <p>The 'income of the trust estate' represents the income determined by the trustee in accordance with trust law and the trust deed. As such, this amount is not always equal to the trust's accounting income or its net income (according to section 95 of the ITAA 1936) reported at item 26.</p> <p>More information can be found on the ATO website here and in TR 2012/D1 (about the meaning of 'income of the trust estate' in Division 6 of Part III of the ITAA 1936).</p>	<p>57A Income of the trust estate</p>	


Deductions

The general deduction provisions, contained in [section 8-1](#) of the ITAA 1997, enable taxpayers to deduct losses or outgoings against assessable income to the extent they are:

- incurred in gaining or producing assessable income; or
- necessarily incurred in carrying on a business.


Deductions cannot be claimed where any of the negative limbs in subsection 8-1(2) of the ITAA 1997 are satisfied.




The deductions in the checklist below may be governed by alternative legislative references in the ITAA 1997. The operation of the relevant provisions is detailed below to the extent they affect the tax return label.

Description	Tax return item Reference	
<p>Skills and training boost and technology investment for small businesses</p> <p>Eligible small businesses with an aggregated turnover of less than \$50 million can claim a bonus deduction of 20% for eligible expenditure on:</p> <ul style="list-style-type: none"> • external training courses (skills and training boost)⁵; and • digital technology, capped at \$100,000 of expenditure per annum (technology investment boost)⁶ – includes business expenses and depreciating assets that support their digital adoption, such as portable payment devices, cyber security systems or subscriptions to cloud based services. <p>For eligible expenditure incurred from 7:30pm AEDT on 29 March 2022 until 30 June 2023, the bonus deduction is claimed in the 2022–23 income year (the bonus deduction for expenditure incurred in both the 2021–22 and 2022–23 income years is claimed in the 2023 ITR).</p> <p>The skills and training boost is available until 30 June 2024, however the technology investment boost ended on 30 June 2023.</p>	<p>5 Business income and expenses</p> <p>52 Small business boost</p> <p>Section 328-445 and section 328-450 (skills and training boost) and section 328-455 and section 328-460 (technology investment boost) of the IT(TP)A</p>	

⁵ Given effect by Schedule 4 to the [Treasury Laws Amendment \(2022 Measures No. 4\) Act 2023](#).



⁶ Given effect by Schedule 5 to the [Treasury Laws Amendment \(2022 Measures No. 4\) Act 2023](#).


Description	Tax return item Reference	
<p>(continued ...)</p> <p>Amounts claimed for the small business boosts must be:</p> <ul style="list-style-type: none"> • shown as an expense subtraction at item 5; and • reported at item 52. <div data-bbox="167 580 1021 707" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>52 Small business boost</p> <p>Small business skills and training boost A <input type="text"/>, <input type="text"/>, <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/></p> <p>Small business technology investment boost B <input type="text"/>, <input type="text"/>, <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/></p> </div> <p>More information can be found on the ATO website here.</p>	<p>5 Business income and expenses</p> <p>52 Small business boost</p>	
<p>Increase in superannuation guarantee (SG) rate to 10.5%</p> <p>From 1 July 2022, the SG charge percentage increased from 10% to 10.5%. Employers will need to use the increased rate to calculate the minimum mandatory SG contributions they make into their employees' superannuation funds.</p> <p>The increased rate applies to all SG contributions made on behalf of employees on or after 1 July 2022, even if all or part of the pay period relates to work performed before 1 July 2022.</p> <p>This increase forms part of a series of incremental increases to the SG rate that are already legislated to increase the rate to 12% by 1 July 2025.</p> <div data-bbox="167 1346 1015 1682" style="background-color: #e6f2ff; padding: 10px; margin-top: 10px;"> <p>TRAP</p> <p>SG contributions are deductible only when the contributions are made (i.e. received by the employees' superannuation fund NOT when the employer pays the amount: see paragraph 12 of TR 2010/1). A delay may exist between the timing of these two events and may cross over the end of an income year.</p> </div> <p>More information can be found on the ATO website here.</p>	<p>5D Superannuation expenses</p> <p>Section 290-60 of the ITAA 1997</p> <p>TR 2010/1</p>	

Description	Tax return item Reference	
<p>Trading stock</p> <p>Trading stock may be valued at the end of the income year at its cost, market selling value or replacement value.</p> <p>A stocktake is essential for taxpayers without a perpetual inventory system.</p> <p>From 1 July 2021, entities with an aggregated turnover of less than \$50 million, where the estimated stock movement is less than \$5,000, may use the simplified trading stock rules.⁷</p> <p>Different methods can be used to value the same item of trading stock in different income years, and similar items can be valued using different methods in the same income year.</p> <div data-bbox="165 875 1015 1086"> <p>TRAP</p> <p>The opening value of an item in a particular income year must equal the closing value for that item in the previous income year even if different valuation methods are used in each year.</p> </div>	<p>39 Opening stock</p> <p>40 Purchases and other costs</p> <p>41 Closing stock</p> <p>Section 70-45 of the ITAA 1997</p> <p>Subdiv 328-E of the ITAA 1997</p>	
<p>Deductions for bad debts</p> <p>For a debt to be written off as bad in 2022-23, the debt must be declared bad before the end of the income year and reasonable steps must have been undertaken to recoup the debt.</p> <p>The trustee should consider the trust loss provisions in addition to the bad debt provisions.</p> <p>More information can be found on the ATO website here.</p>	<p>5F Bad debts</p> <p>Section 25-35 of the ITAA 1997</p> <p>Schedule 2F to the ITAA 1936</p> <p>TR 92/18</p>	
<p>Motor vehicle expenses</p> <p>Only motor vehicle expenses incurred as part of running a business are deductible. The running costs for motor vehicles owned by the trust excludes expenses shown at:</p> <ul style="list-style-type: none"> ● Label 5G <i>Lease expenses</i> ● Label 5I <i>Total interest expenses</i> ● Label 5K <i>Depreciation expenses.</i> 	<p>5L Motor vehicle expenses</p> <p>Section 8-1 of the ITAA 1997</p>	

⁷ Prior to 1 July 2021, the simplified trading stock rules were confined to SBEs with an aggregated turnover of less than \$10 million.

Description	Tax return item Reference	
<p>(continued ...)</p> <p>Where an employee is provided with access to a business vehicle and the vehicle is available to the employee to use for private purposes, the employer may be subject to FBT.</p> <p>The type of fringe benefit varies in accordance with the type of vehicle the employee uses for private purposes. Where a car is provided, a car fringe benefit may arise and a residual benefit may arise for other vehicles other than cars.</p> <p>More information on FBT on motor vehicles can be found on the ATO website here.</p> <p>NOTE</p> <p>Car fringe benefits provided in relation to eligible zero and low emission vehicles are exempt from FBT. However, exempt amounts are still reportable fringe benefit amounts.</p> <p>More information can be found on the ATO website here.</p> <p>Substantiation</p> <p>Business records that should be retained by the trustee include:</p> <ul style="list-style-type: none"> ● details of the kilometres travelled for business and private use ● receipts for fuel, oil, repairs, servicing and insurance cover ● loan or lease documents ● tax invoices ● registration papers. <p>TRAP</p> <p>Division 28 of the ITAA 1997 does not apply to motor vehicle expenses incurred by a trust. A trust cannot use the cents per kilometre or log book method when claiming deductions for car expenses. Any private use of the vehicle is dealt with through the FBT regime.</p> <p>More information can be found on the ATO website here.</p>	<p>5L Motor vehicle expenses</p> <p>Section 8-1 of the ITAA 1997</p>	


Description	Tax return item Reference	
<p>Repairs and maintenance</p> <p>Costs of repairs to property, plant, machinery or equipment used solely for producing assessable income or in carrying on a business are deductible, either under section 25-10 of the ITAA 1997 (specific provision) or under section 8-1 (general provision).</p> <p>Costs incurred to remedy defects, damage or deterioration in existence at the time of acquisition of an asset are considered to be capital in nature and are denied as an immediate deduction. Expenditure incurred to improve or alter an asset is of a capital nature and is not deductible.</p> <p>Records showing full details of the nature and cost of repairs to each item need to be retained.</p> <p>More information on what constitutes a ‘repair’ can be found in TR 97/23.</p>	<p>5M Repairs and maintenance</p> <p>Section 8-1 of the ITAA 1997</p> <p>Section 25-10 of the ITAA 1997</p> <p>TR 97/23</p>	
<p>Income and expense reconciliation adjustments</p> <p>Where the trust’s profit or loss in the accounts does not match the trust’s net income or loss from business for income tax purposes, the adjustments are entered as income or expense reconciliation adjustments.</p> <p>The adjustments can fall into one of four categories outlined below:</p> <ul style="list-style-type: none"> ● Income add backs (label 5A) – these may include, but are not limited to: <ul style="list-style-type: none"> ○ assessable balancing adjustment amounts on depreciating assets ○ other assessable income not included in the accounts. ● Income subtractions (label 5A) – these may include, but are not limited to: <ul style="list-style-type: none"> ○ exempt income ○ profit on the sale of a depreciating asset. 	<p>5A Income reconciliation adjustments</p> <p>and/or</p> <p>5B Expense reconciliation adjustments</p>	

Description	Tax return item Reference	
<p>(continued ...)</p> <ul style="list-style-type: none"> ● Expense add backs (label 5B)– these may include, but are not limited to: <ul style="list-style-type: none"> ○ additions to provisions and reserves ○ loss on the sale of a depreciating asset ○ prepaid expenses not deductible in the current income year ○ penalties and fines ○ other non-deductible expenses. ● Expense subtractions (label 5B) – these may include, but are not limited to: <ul style="list-style-type: none"> ○ deductible balancing adjustment amounts on depreciating assets ○ prepaid expenses deductible in the current income year, but not shown in the accounts ○ deductions under section 40–880. <p>More information on income and expense adjustments can be found here.</p>	<p>5A Income reconciliation adjustments</p> <p>and/or</p> <p>5B Expense reconciliation adjustments</p>	
<p>Superannuation late payment penalties</p> <p>If employers pay their SG obligations late⁸, or fail to pay them at all, they are liable for the SG charge (SGC) and are required to lodge an SG statement.</p> <p>If the employer fails to lodge the SG statement by the 28th day of the second month following the end of the quarter, a Part 7 penalty can be imposed (at the rate of 200% of the SGC amount but the ATO has discretion to remit all or part of this). Both the SGC and the Part 7 penalty are non-deductible.</p>	<p>5B Expense reconciliation adjustments</p> <p>Section 26-5 of the ITAA 1997</p> <p>Section 26-95 of the ITAA 1997</p> <p>PS LA 2021/3</p>	


⁸ SG contributions are required to be made by the 28th day of the month following the end of the quarter. For SG purposes, employers meet their SG obligations for SG contributions made through the ATO's [Small Business Superannuation Clearing House \(SBSCH\)](#) when their payments and instructions are accepted by the SBSCH. This differs from SG contributions made through commercial clearing houses or directly to the fund whereby employers meet their SG obligations only once the contribution is received by their employees' superannuation fund.


Description	Tax return item	
	Reference	
<p>(continued ...)</p> <p>The general interest charge (GIC) is imposed on late payments of SGC and is deductible in the year it is incurred.</p> <p>More information on the SGC and the Part 7 penalty can be found on the ATO website here.</p>		


Capital allowances

Description	Tax return item	
	Reference	
<p>Temporary full expensing (TFE)</p> <p>The TFE regime ended on 30 June 2023. It temporarily superseded:</p> <ul style="list-style-type: none"> the instant asset write-off (IAWO) rules in section 328-180 of the ITAA 1997 until 1 July 2023;⁹ and the immediate deduction rules in section 40-82 of the ITAA 1997 for medium and larger businesses until 31 December 2020. <p>To fully expense a depreciating asset in 2022–23, the asset must have been first held by 30 June 2023 and first used or installed ready for use also by 30 June 2023. If either of these falls after 30 June 2023, then the asset must be depreciated in accordance with the normal rules.</p> <p>More information can be found on the ATO website here.</p>	<p>50S Temporary full expensing deductions</p> <p>50T Number of assets you are claiming for</p> <p>Section 328-180 and 328-181 of the IT(TP)A</p> <p>Subdiv 40-BB of the IT(TP)A</p>	

⁹ From 1 July 2023, the IAWO threshold for SBEs (aggregated turnover of less than \$10 million, which includes sole traders) will be temporarily increased to \$20,000 for 12 months. It is expected to revert to \$1,000 from 1 July 2024. This measure has not yet been legislated.

Description	Tax return item Reference	
<p>Small business entities (SBEs) using simplified depreciation rules</p> <p>SBEs using the simplified depreciation rules need only complete:</p> <ul style="list-style-type: none"> ● Label 50S <i>Temporary full expensing deductions</i> – this is the total amount of TFE deductions claimed at label 5K Depreciation expenses ● Label 50T <i>Number of assets you are claiming for</i> – this is the total number of assets for which the taxpayer has claimed TFE. <p>NOTE</p> <p>Taxpayers who inadvertently enter incorrect an amount at labels 50S and 50T will not be penalised where they have made their best attempt to determine the amounts they are claiming for.</p> <p>More information on the small business depreciation rules can be found on the ATO website here.</p>	<p>50S Temporary full expensing deductions</p> <p>50T Number of assets you are claiming for</p>	

Description	Tax return item Reference	
<p>Opting out of TFE</p> <p>Businesses not using the simplified depreciation rules are able to opt out of TFE for an income year (ending no later than 30 June 2023) on an asset-by-asset basis.</p> <p>A business that has not applied TFE for an asset in an income year must notify the ATO:</p> <ul style="list-style-type: none"> ● in the approved form ● in the 2023 tax return by completing the following labels: <ul style="list-style-type: none"> ○ label P <i>Are you making a choice to opt out of temporary full expensing for some or all of your eligible assets?</i> <ul style="list-style-type: none"> – label A <i>Some eligible assets</i> – label B <i>All eligible assets</i> ○ label Q <i>Number of assets you are opting out for</i> ○ label R <i>Value of assets you are opting out for</i> <p>NOTE</p> <p>A taxpayer's choice to opt out of TFE is irrevocable.</p>	<p>50P Are you making a choice to opt out of temporary full expensing for some or all of your eligible assets?</p> <p>50Q Number of assets you are opting out for</p> <p>50R Value of assets you are opting out for</p>	

Description	Tax return item Reference	
<p>SBE depreciation</p> <p>The instant asset write-off threshold is temporarily modified for businesses using the simplified depreciation rules for the 2022–23 income year.</p> <p>Under the modified rules, these businesses:</p> <ul style="list-style-type: none"> • must deduct the total balance of the general small business pool at the end of 2022–23; and • cannot opt out of TFE for assets unless they opt out of the simplified depreciation rules. <p>An SBE using simplified depreciation must insert 0 at label 51A Deduction for certain assets as there was no asset meeting the criteria to claim the instant asset write-off.</p> <p>The amount at label 51B Deduction for general small business pool should match the amount claimed at label 51K Depreciation expenses.</p> <p>Label 50S and label 50T should also be completed.</p> <p>More information on how to complete these labels can be found on page 19.</p>	<p>Section 328-181(5) of the IT(TP)A</p> <p>51A Deduction for certain assets</p> <p>51B Deduction for general small business pool</p>	


Distributions to beneficiaries



Where beneficiaries are made presently entitled to trust income in an income year, it will only be effective if the distribution resolution or minute has been made:

- in accordance with the terms of the trust deed; and
- by the end of the income year.


Where an effective distribution of the trust income has not been made, entitlements to the trust income will arise in accordance with the default distribution clause. Where there is no default distribution clause, the trust's net income will be assessed to the trustee.


The ATO has provided a [resolution checklist](#) to assist trustees in preparing effective resolutions.



Description	Tax return item Reference	
<p>Streaming of income</p> <p>Trustees may be able to stream capital gains and/or franked distributions provided the trustee has the express or implied power under the trust deed.</p> <p>Specific entitlement to capital gains</p> <p>A trustee may make a beneficiary specifically entitled to a capital gain where all the following conditions are met:</p> <ul style="list-style-type: none"> • The trust deed allows streaming of capital gains. • The trustee makes the beneficiary specifically entitled to a capital gain within 2 months of the end of the income year (ordinarily, this is 31 August). • Trust capital gains can be streamed to beneficiaries by making them specifically entitled to the capital gain, even if they are not presently entitled to a share of the trust income. <p>NOTE</p> <p>If a capital gain is discounted, the CGT discount is apportioned in accordance with the distribution of the capital gain.</p> <p>Specific entitlement to franked distributions</p> <p>A trustee may make a beneficiary specifically entitled to a franked distribution where all the following conditions are met:</p> <ul style="list-style-type: none"> • the trust deed allows streaming of franked distributions. • the net income of the trust is greater than zero; and • the amount is recorded in its character as referable to the franked distribution in the accounts or records of the trust no later than the end of the income year. <p>NOTE</p> <p>Any franking credits attached to the franked distribution must be distributed in the same proportion as the franked distribution.</p> <p>More information can be found on the ATO website here.</p>	<p>Sections 115-228 and 115-230 of the ITAA 1997</p> <p>Sections 207-57 and 207-58 of the ITAA 1997</p>	

Description	Tax return item Reference	
<p>Trust distributions – notional versus proportional approach</p> <p>The net income of a trust under section 95 of the ITAA 1936 is its assessable income for the year less allowable deductions worked out on the assumption that the trustee is a resident.</p> <p>As the trust income is determined in accordance with the trust deed and its net income is determined in accordance with tax law, the two amounts are often different.</p> <p>TR 2012/D1 states where the trust's net income includes notional income amounts, those amounts cannot, except in the circumstances outlined in paragraph 16, be taken into account in calculating the 'income of the trust estate' for the purposes of Division 6 of Part III of the ITAA 1936.</p>	<p>TR 2012/D1</p>	
<p>Trust disclaimers</p> <p>For a beneficiary to effectively disclaim an interest for the purposes of subsection 97(1) of the ITAA 1936, the disclaimer:¹⁰</p> <ul style="list-style-type: none"> • must reject the entirety of the beneficiary's interest • must be executed prior to the end of the accounting period to be effective for that accounting period. • does not require the assent of the beneficiary – the creation of present entitlements to trust income can occur without a beneficiary's knowledge. <p>NOTE</p> <p>Following the decision of <i>Commissioner of Taxation v Carter</i> [2022] HCA 10, ATO ID 2010/85 was withdrawn and the ATO issued a Decision impact statement with its updated views on trust disclaimers.</p> <p>More information on trust disclaimers can be found in our article here.</p>	<p>Decision impact statement – Commissioner of Taxation v Carter</p>	

¹⁰ See [Carter](#).



Description	Tax return item Reference	
<p>Section 100A</p> <p>Section 100A operates to prevent taxpayers from using a trust structure to reduce their income tax liability.</p> <p>It applies to a particular arrangement where all the following criteria are satisfied:</p> <ul style="list-style-type: none"> • a beneficiary (who is not under a legal disability) is presently entitled to a share of all or part of the trust income in a particular income year (and is therefore assessed under section 97 of the ITAA 1936 on that share of the trust's net income); • that present entitlement arises in connection with a reimbursement agreement; • a benefit is provided to someone other than the beneficiary; and • at least one of the following two exclusions does not apply: <ul style="list-style-type: none"> ○ the reimbursement agreement excludes one that was not entered into for a purpose of reducing or deferring someone's income tax liability; ○ the reimbursement agreement was not entered into in the course of 'ordinary family or commercial dealing'. <p>NOTE</p> <p>If section 100A applies to a particular arrangement, the beneficiary is taken never to have been presently entitled to the share of the trust income arising from the reimbursement agreement. Instead, the trustee is liable to pay tax in accordance with section 99A of the ITAA 1936.</p> <p>More information can be found in our article here.</p>	<p>Section 100A of the ITAA 1936</p> <p>TR 2022/4</p> <p>PCG 2022/2</p> <p>TA 2022/1</p>	


Description	Tax return item Reference	
<p>Subdivision EA – Unpaid present entitlements</p> <p>Where a UPE of a private company exists (and it is not a loan for Division 7A purposes), benefits a trustee provides to shareholders of the private company (or their associates) may be assessable dividends under Subdivision EA of Part II of the ITAA 1936.</p> <p>If applicable, Subdivision EA will treat a trust as a nominal private company. As a result, payments, loans, repayments or debts forgiven by the trust to a shareholder of the private company (or their associate) may be treated as being made by the company (and therefore assessable as dividends).</p> <p>Subdivision EA will operate differently depending on the type of benefit provided to the shareholders or their associates. The types of benefits Subdivision EA applies to are:</p> <ul style="list-style-type: none"> • payments; • loans; • repayments; and • debt forgiveness. <p>The payment will not be assessed to the shareholder/associate under section 109XB of the ITAA 1936 as if it were a dividend where any of the following actions are undertaken:</p> <ul style="list-style-type: none"> • the whole amount of the payment is repaid by the earlier of the company's due date or actual date of lodgment; • the company's present entitlement is satisfied through a sub-trust (see TD 2022/11); or • the company's present entitlement or the loan from the trustee is subject to a complying loan agreement. <p>More information can be found on the ATO website here.</p>	<p>Subdivision EA of Part III of the ITAA 1936</p> <p>TD 2022/11</p>	



Description	Tax return item Reference	
<p>Subdivision EA – payments</p> <p>An amount will be treated as a dividend under section 109XB of the ITAA 1936 if:</p> <ul style="list-style-type: none"> • a trustee makes a payment to a shareholder of a private company (or an associate);¹¹ • the payment is a discharge, or a reduction in a present entitlement, of the shareholder (or associate) that is wholly or partly attributable to an amount that is an unrealised gain; and • the company is or becomes presently entitled to an amount from the net income of the trust estate. 	<p>Subsection 109XA(1) of the ITAA 1936</p> <p>Section 109XB of the ITAA 1936</p>	
<p>Subdivision EA – loans</p> <p>An amount will be treated as a dividend under section 109XB of the ITAA 1936 if:</p> <ul style="list-style-type: none"> • a trustee makes a loan to a shareholder of a private company (or an associate);¹² and • either, the company: <ul style="list-style-type: none"> ○ is entitled to an amount from the net income of the trust estate at the time the actual transaction takes place (and the whole of that amount has not been paid to the company before the earlier of the due date for lodgment and the date of lodgment of the trustee's return of income for the trust for relevant year the transaction takes place); or ○ becomes presently entitled to an amount from the net income of the trust estate after the actual transaction takes place (but before the earlier of the due date for lodgment and the date of lodgment of the trustee's return of income for the trust for the relevant year the transaction takes place), and the whole of the amount has not been paid to the company before. 	<p>Subsection 109XA(2) of the ITAA 1936</p> <p>Section 109XB of the ITAA 1936</p>	



¹¹ This includes payments made through interposed entities – see [section 109XF](#) of the ITAA 1936.


¹² This includes loans made through interposed entities – see [section 109XG](#) of the ITAA 1936.

Description	Tax return item Reference	
<p>Subdivision EA – forgiven debts</p> <p>An amount will be treated as a dividend under section 109XB of the ITAA 1936 if:</p> <ul style="list-style-type: none"> all or part of a debt owed to a trustee by a shareholder of a private company (or an associate) forgiven (except where the shareholder or associate is a company); and the company is or becomes presently entitled to an amount from the net income of the trust estate. 	<p>Subsection 109XA(3) of the ITAA 1936</p> <p>Section 109XB of the ITAA 1936</p>	
<p>Payments through interposed entities</p> <p>A trustee is taken to have made a payment to a shareholder, or to an associate of a shareholder, (the target entity) of a private company if all the following conditions are satisfied:</p> <ul style="list-style-type: none"> the trustee makes a payment or loan to another entity (the first interposed entity) that is interposed between the trustee and the target entity; a reasonable person would conclude (having regard to all the circumstances) that the trustee made the payment or loan solely or mainly as part of an arrangement involving a payment to the target entity; and either the first interposed entity makes a payment to the target entity or another entity interposed between the trustee and the target entity makes a payment to the target entity. <p>NOTE</p> <p>For the purposes of this section applying, it does not matter whether the interposed entity paid the target entity:</p> <ul style="list-style-type: none"> before, after or at the same time as the first interposed entity received the payment/loan from the trustee; or the same amount as the trustee paid to the first interposed entity. 	<p>Section 109XF of the ITAA 1936</p>	

Description	Tax return item Reference	
<p>Payments through interposed trusts</p> <p>A company is taken to be, or become, entitled to an amount of net income of the trust estate (target trust) if:</p> <ul style="list-style-type: none"> the company is or becomes presently entitled to an amount from the net income of another trust estate that is interposed between the company and target trust; a reasonable person would conclude (having regard to all the circumstances) that the company is or becomes entitled solely or mainly as part of an arrangement involving that entitlement; and the interposed trust (or trusts) becomes presently entitled to an amount from the net income of the target trust. <p>If these conditions are met, payments, loans or forgiven debt amounts provided by the target trust to a shareholder of a private company (or the shareholder's associate) will still be a relevant transaction for the purposes of section 109XA of the ITAA 1936 (as described above).</p> <div> <p>NOTE</p> <p>For the purposes of this section applying, it does not matter whether the company:</p> <ul style="list-style-type: none"> became or becomes entitled to the amount from the net income of the first interposed trust before, after or at the same time as the interposed trust became or becomes presently entitled to an amount from the net income of the target trust; or became presently entitled to the same amount as the amount to which the interposed trust become entitled. </div>	<p>Section 109XI of the ITAA 1936</p>	



Description	Tax return item Reference	
<p>Sub-trust arrangements maturing in the 2016–17 and later income years</p> <p>PCG 2017/13 was last updated on 8 August 2022 and now applies for the following:</p> <ul style="list-style-type: none"> • sub-trust arrangements maturing in the 2016–17 and later income years; and • UPEs arising on or before 30 June 2022. <p>The PCG sets out the ATO’s approach to allow the outstanding principal of a 7- or 10-year loan under an Option 1 or Option 2 sub-trust arrangement (under the 2010 products) to be placed on complying Division 7A terms under a new 7-year loan arrangement. It effectively applies to UPEs arising from the 2009–10 to the 2021–22 income years (inclusive).</p> <p>IMPORTANT</p> <p>Trust entitlements arising from 1 July 2022 will be subject to the application of TD 2022/11. From 1 July 2022 TR 2010/3 and PS LA 2010/4 were withdrawn on 30 June 2022 and 1 July 2022 respectively, both with effect from 1 July 2022.</p>	<p>PCG 2017/13 and PS LA 2010/4 (2010 products)</p> <p>TD 2022/11</p>	
<p>Income of the trust estate to equal the sum of each beneficiary’s share</p> <p>For data validation purposes, the sum of all amounts disclosed in the Statement of distribution for each beneficiary at label 58W <i>Share of income of the trust estate</i> must match the amount disclosed at label 57A <i>Income of the trust estate</i>.</p>	<p>57A Income of the trust estate</p> <p>58W Share of income of the trust estate</p>	



Description	Tax return item Reference	
<p>Beneficiary assessment calculation codes</p> <p>The assessment calculation code shown at label 57V is used by the ATO to quickly understand:</p> <ul style="list-style-type: none"> the type of beneficiary that is the subject of the relevant Statement of distribution; and how the beneficiary's share of net income of the trust should be taxed, including any additional amount of net income in the event of an adjustment to the trust's net income. <p>As such, the correct code should be selected to ensure that it reflects the type and circumstances of the beneficiary to avoid unnecessary delays in the ATO processing the tax return.</p> <p>The list of the assessment calculation codes can be found on the ATO website here.</p>	<p>57V Assessment calculation code</p>	
<p>Separate disclosure of capital gains, franked distributions and franking credits</p> <p>The disclosures for each beneficiary's share of capital gains, franked distributions and franking credits should be disclosed separately. These amounts should be included as part of label 58W <i>Share of income of the trust estate</i> only where the trust deed specifically provides that such amounts are included in the trust income.</p> <div data-bbox="165 1391 1027 1592"> <p>NOTE</p> <p>The amount shown at label 58U <i>Share of franked distributions</i> should be grossed-up to include any attached franking credits disclosed at label 58D <i>Share of franking credits</i>.</p> </div>	<p>58F Capital gains</p> <p>58U Share of franked distributions</p> <p>58D Share of franking credits</p>	

Description	Tax return item Reference	
<p>Distributing tax credits to beneficiaries</p> <p>A trust must satisfy a number of conditions before it is able to distribute franking credits, including that:</p> <ul style="list-style-type: none"> the net income of the trust must be greater than nil for the income year (i.e. the trust must not be in a net loss position); the trust is entitled to franking credits of \$5,000 or more, and the underlying investments from which the franked distributions and attached franking credits were held at risk¹³ for a period of at least 47 days (for ordinary shares) or 92 days (for preference shares);¹⁴ and similarly, as the trust is required to pass on the benefits of franked distributions to its beneficiaries, it must have held the interests in the company or interest in the interposed trust for at least 47 days (for ordinary shares) or 92 days (for preference shares). <p>The total amount at label 58L <i>Share of credit for tax withheld – foreign resident withholding (excluding capital gains)</i> must equal the credit amount shown at label 6U <i>Credit for tax withheld – foreign resident withholding (excluding capital gains)</i>.</p> <p>More information can be found on the ATO website here.</p>	<p>Section 207-55 of the ITAA 1997</p> <p>Section 207-145 of the ITAA 1997</p> <p>Section 207-150 of the ITAA 1997</p> <p>58L Share of credit for tax withheld – foreign resident withholding (excluding capital gains)</p>	


¹³ Broadly, unless the trustee of a non-fixed trust has elected for it to be a family trust, a beneficiary of the trust who does not have a vested and indefeasible interest in so much of the capital of the trust as is comprised by the shares giving rise to the dividends will not be a 'qualified person' for the purposes of the holding period rule.

¹⁴ Although the legislation provides that the minimum holding period for ordinary and preference shares are 45 days and 90 days respectively, the period does not count the days the shares were acquired and disposed. Thus, the periods are best thought of as 47 days and 92 days from a practical perspective.

Description	Tax return item Reference	
<p>Closely held withholding</p> <p>Label 58O <i>Share of credit for TFN amounts withheld from payments from closely held trusts</i> refers to amounts withheld from distributions from closely held trusts due to the trustee failing to provide the TFN to the distributing trust.</p> <p>Note that amounts withheld from beneficiaries of the trust (being a closely held trust) should not be reported at label 58O. These should be reported at label 58T <i>Total TFN amounts withheld from payments under Annual Trustee Payment report information</i>.</p>	<p>58O Share of credit for TFN amounts withheld from payments from closely held trusts</p> <p>58T Total TFN amounts withheld from payments</p>	
<p>Withholding rules for closely held trusts</p> <p>Where the beneficiaries of a closely held trust have not provided their TFN to the trustee, the trustee is required to withhold amounts from payments to such beneficiaries unless the fund or the beneficiary are exempt from these withholding rules.</p> <p>A closely held trust is defined as:</p> <ul style="list-style-type: none"> • a trust where 20 or fewer individuals have between them, directly or indirectly, and for their own benefit, fixed entitlements to 75% or more of the income or capital of the trust; or • a discretionary trust. <p>Excluded trusts, as defined in section 102UC of the ITAA 1936, are excluded from being closely held trusts.</p> <p>The amount reported at label 80 <i>Credit for TFN amounts withheld from payments from closely held trusts</i> should be the amount of credits for TFN withholding from closely held trusts it receives from distributions from other trusts.</p> <p>Each beneficiary's share of such credits should be reported under label 58O <i>Share of credit for TFN amounts withheld from payments from closely held trusts</i> under each Statement of distribution.</p> <p>Where amounts have been withheld from a beneficiary for failing to disclose their TFN to the trustee of the trust, these amounts should be reported under label 58E <i>TFN amounts withheld</i> under the Statement of distribution for the relevant beneficiaries.</p> <p>More information can be found on the ATO website here.</p>	<p>Section 102UC of the ITAA 1936</p> <p>80 Credit for TFN amounts withheld from payments from closely held trusts</p> <p>57O Share of credit for TFN amounts withheld from payments from closely held trusts</p> <p>57E TFN amounts withheld</p>	


Description	Tax return item Reference	
<p>Minors</p> <p>When distributing trust income to a beneficiary aged less than 18 years, the respective code needs to be entered at label 58V Assessment code. The ATO's assessment codes can be found here.</p> <p>Where beneficiaries aged less than 18 years receive eligible income, they must report their share of net income that is eligible income at label 58C1 Div 6AA Eligible income.</p> <p>Trust income to which a minor beneficiary, who is a prescribed person, is presently entitled is eligible income except to the extent that the income can be classified as excepted income for the beneficiary.</p> <p>Eligible income is subject to higher tax rates, plus the Medicare levy, in the hands of both the trustee and the beneficiary, if the beneficiary also has another source of income, including being a beneficiary of more than one trust. The beneficiary receives a credit for the tax paid by the trustee.</p>	<p>58V Assessment code</p> <p>58C1 Div 6AA Eligible income</p>	
<p>Foreign resident beneficiaries</p> <p>Trustees are assessed on foreign resident beneficiaries' share of the net income of the trust under section 98 of the ITAA 1936.¹⁵</p> <p>Assessment under section 98(3)</p> <p>The trustee is assessed under subsection 98(3) where the foreign resident beneficiary is an individual or company that is not a trustee beneficiary. If the foreign resident beneficiary is:</p> <ul style="list-style-type: none"> an individual – they are taxed according to the individual's marginal tax rates; or a company – they are taxed at the standard corporate tax rate or the 'base rate entity' rate (whichever is relevant). <p>NOTE</p> <p>The tax liability under subsection 98(3) is not a final tax. Beneficiaries assessed under subsection 98A(1) are permitted to claim a tax credit for amounts paid by the trustee.</p>	<p>Section 98 of the ITAA 1936</p> <p>58J s98(3) assessable amount</p>	

¹⁵ Trustees of MITs are not taxed under section 98 of the ITAA 1936 in respect of MIT income. These amounts are taxed under [Subdivision 12-H](#) of Schedule 1 to the TAA.



Description	Tax return item Reference	
<p>(continued ...)</p> <p>Assessment under section 98(4)</p> <p>The trustee is assessed under subsection 98(4) where the beneficiary is a trustee beneficiary in relation to another trust and was a foreign resident during the income year.</p> <p>Amounts are taxed under this section where they are Australian sourced income, and are not any of the following:</p> <ul style="list-style-type: none"> • amounts subject to foreign resident withholding tax, including unfranked dividends, interest and royalties; • fully franked dividends; • amounts on which MIT withholding tax is payable; and • capital gains on which the trustee is not liable to pay tax under subsection 855-40(3) of the ITAA 1997. 	<p>58K s98(4) assessable amount</p>	
<p>Trustee beneficiary (TB) statements</p> <p>A closely held trust is required to make a TB statement for an income year where:</p> <ul style="list-style-type: none"> • the share of the trust's net income is included in the assessable income of a trustee beneficiary; and • the share includes an untaxed part. <p>NOTE</p> <p>Where a TB statement is not lodged on time as required, the trustee of the closely held trust is liable for trustee beneficiary non-disclosure tax on the untaxed part of any trustee beneficiary's share of the trust's net income.</p> <p>Untaxed part of net income</p> <p>A beneficiary's untaxed part of net income refers to their share of the closely held trust's net income, less any part that has been taxed under one of the following:</p> <ul style="list-style-type: none"> • subsection 98(4) of the ITAA 1936 (about certain non-resident trustee beneficiaries) • Subdivision 12-H of Schedule 1 to the TAA (about withholding on distributions of managed investment trust income) • Division 6D of Part III of the ITAA 1936 (trustee beneficiary non-disclosure tax). 	<p>Section 102UK of the ITAA 1936</p> <p>58Q Untaxed part of share of net income</p> <p>Section 102UE of the ITAA 1936</p>	

Description	Tax return item Reference	
<p>(continued ...)</p> <p>Tax preferred amounts</p> <p>Tax-preferred amounts are income of the trust that are not included in assessable income when determining the net income of the trust, or an amount of trust capital. These amounts need to be included at label 57P <i>Tax-preferred amounts</i>.</p> <p>More information can be found on the ATO website here.</p>	<p>58P Tax-preferred amounts</p> <p>Section 102U of the ITAA 1936</p>	

Trust tax losses




Description	Tax return item Reference	
<p>Trust tax losses – General</p> <p>Before a trust can utilise tax losses carried forward from prior income years against its net income in the current year, it must satisfy the tests in the trust loss provisions.</p> <p>Depending on the type of trust, the trust will need to satisfy one or more of the following tests to utilise its tax losses carried forward from prior years:¹⁶</p> <ul style="list-style-type: none"> • 50% stake test • Business continuity test • Pattern of distributions test • Control test • Income injection test <p>NOTE</p> <p>The trust loss provisions apply only to tax losses and not to capital losses. Capital losses may be utilised without the trust having to satisfy any of the tests in the trust loss provisions.</p> <p>More information can be found on the ATO website here.</p>	<p>25C Tax losses deducted</p> <p>Schedule 2F to the ITAA 1936</p>	

¹⁶ Further details on the specific tests that apply to each type of trust can be found on the ATO website [here](#).


Description	Tax return item Reference	
<p>50% stake test</p> <p>This test is used to determine if there has been a change in the underlying ownership of a trust with fixed entitlements.</p> <p>The 50% stake test is passed if, at all times during the test period, the same individuals who between them have fixed entitlements to:</p> <ul style="list-style-type: none"> • a greater than 50% share of the income of the trust; and • a greater than 50% share of the capital of the trust.¹⁷ <p>NOTE</p> <p>The 50% stake test does not apply to family trusts and other excepted trusts.</p> <p>Alternate 50% stake test</p> <p>This test applies where 50% or more of the fixed entitlements to the income and capital of an ordinary fixed trust are held by non-fixed trusts (other than family trusts).</p> <p>More information can be found on the ATO website here.</p>	<p>Sections 266-40, 266-45, 266-50 and Subdivision 269-C in Schedule 2F to the ITAA 1936</p>	
<p>Business continuity test</p> <p>If a listed widely held trust has failed the 50% stake test, it must pass at least one of the following tests:</p> <ul style="list-style-type: none"> • Same business test – the trust carried on the same business (i.e. no new business operations or transactions of a kind it had not previously undertaken) from the start of the relevant loss year up to immediately before the time it failed the 50% stake test. • Similar business test – the trust carried on a similar business from the start of the relevant loss year up until the time immediately before it failed the 50% stake test.¹⁸ • More information can be found on the ATO website here. 	<p>Subdivision 269-F in Schedule 2F to the ITAA 1936</p>	

¹⁷ The individuals do not need to be the same individuals when considering stakes in the income and capital of the trust.


¹⁸ The similar business test applies only to losses incurred during income years starting from 1 July 2015.



Description	Tax return item Reference	
<p>Pattern of distributions (POD) test</p> <p>The POD test applies if a non-fixed trust has made income and/or capital distributions to its beneficiaries in the current income year or within 2 months of the end of the year, as well as at least once in the last 6 income years.</p> <p>The test is passed if, within two months of the end of the income year, the trust directly or indirectly distributed more than 50% of:</p> <ul style="list-style-type: none"> the income distributions in the relevant years to the same individuals for their own benefit; and the capital distributions in the relevant years to the same individuals for their own benefit. <p>More information can be found on the ATO website here.</p>	<p>Subdivision 269-D in Schedule 2F to the ITAA 1936</p>	
<p>Control test</p> <p>A non-fixed trust fails the control test if a group begins to control it in the period starting at the beginning of the income year when the loss was incurred until the time when the loss is to be deducted.</p> <p>More information on the control test can be found here.</p>	<p>Subdivision 269-E in Schedule 2F to the ITAA 1936</p>	
<p>Income injection test</p> <p>This test applies where there is a scheme designed to take advantage of deductions and losses made by the trust. Such schemes may arise where the trust derives assessable income and:</p> <ul style="list-style-type: none"> an outsider to the trust directly or indirectly provides a benefit to the trustee, a beneficiary or an associate; and the trustee, a beneficiary or their associate directly or indirectly provides a benefit to the outsider or an associate of the outsider to the trust¹⁹ <p>More information can be found on the ATO website here.</p>	<p>Sections 270-10 and 270-15 in Schedule 2F to the ITAA 1936</p>	




¹⁹ In the case of family trusts, this limb is not satisfied where the benefit provided by the trustee, beneficiary or their associate is made to an associate who is themselves not an outsider to the trust.

Description	Tax return item Reference	
<p>Trust tax losses – Family trusts</p> <p>A modified income injection test applies to a trust where a valid FTE is in force. The modified income injection test extends the pool of allowable beneficiaries to those of the family group which normally would be unable to benefit from the application of trust losses under the income injection test.</p>	<p>Subsection 270-25(1) in Schedule 2F to the ITAA 1936</p>	

Other labels

Description	Tax return item Reference	
<p>Family trust distribution tax (FTDT)</p> <p>FTDT is payable where a distribution is made to a party outside of the family group of the individual specified in the FTE. FTDT is payable by the trustee at the top personal marginal tax rate plus Medicare levy.</p> <div data-bbox="165 1137 1029 1429"> <p>NOTE</p> <p>The definition of distribution for the purposes of the FTDT is very broad. Distributions include any payments or conferrals of the trust's income or capital. This usually does not include salary or wages at commercial, arm's length rates, but includes amounts exceeding such arm's length amounts.</p> </div> <p>More information can be found on the ATO website here.</p>	<p>Sections 271-10 and 271-15 in Schedule 2F to the ITAA 1936</p>	

Description	Tax return item Reference	
<p>Overseas dealings</p> <p>Where a trust answers ‘Yes’ to either of the questions below, it will need to complete and attach an International Dealings Schedule (IDS) to the tax return.</p> <p>These questions include whether:</p> <ul style="list-style-type: none"> the aggregate amount of the trust’s transactions or dealings with international related parties was greater than \$2 million; and the thin capitalisation rules applied to the trust during the income year. <p>If the trust is part of a tax consolidated group or multiple-entry consolidated group, the responsibility for completing the IDS rests with the head entity of the group.</p> <p>More information can be found on the ATO website here.</p>	<p>29 Overseas transactions</p>	
<p>Key financial information</p> <p>Items 33 to 36 should be completed based on the financial statements and trust accounts for the income year.</p> <ul style="list-style-type: none"> Label 33F All current assets – this includes cash on hand, inventory and trade debtors <ul style="list-style-type: none"> This should include the amount shown at label 42E Trade debtors Label 34G Total assets – this includes all of the trust assets, such as fixed, tangible and intangible assets <ul style="list-style-type: none"> This should include the amount shown at label 33F All current assets Label 35I All current liabilities – this includes all obligations to be paid by the trust within the next 12 months <ul style="list-style-type: none"> This should include the amount shown at label 43H Trade creditors Label 36J Total liabilities – this includes all long-term liabilities of the trust, such as longer-term debts to creditors, mortgages and long-term loans <ul style="list-style-type: none"> This should include the amount shown at label 35I All current liabilities 	<p>33F All current assets</p> <p>42E Trade debtors</p> <p>34G Total current assets</p> <p>35I All current liabilities</p> <p>43H Trade creditors</p> <p>36J Total liabilities</p>	

Description	Tax return item Reference	
<p>Payments to associated persons</p> <p>The amounts, including salaries, wages, commissions, superannuation contributions or allowances, paid to the trustee's relatives or partnerships in which the relative of the trustee is a partner should be completed when the trust has any unpaid present is entered at this label. This also includes the amounts of salaries and wages paid to an associated person, relative, principal, agent, related entity or associate entity.</p> <p>NOTE</p> <p>Section 26-35 of the ITAA 1997 disallows excessive payments to a relative or other related entity from being deductible. Only the amount the Commissioner deems reasonable is deductible.</p>	<p>45M Payments to associated persons</p> <p>Section 26-35 of the ITAA 1997</p>	
<p>Unpaid present entitlement to a private company</p> <p>This label should be completed when the trust has any UPEs owing to private company beneficiaries. This includes UPEs that arose from the current or prior income years.</p>	<p>47Y Unpaid present entitlement to a private company</p>	
<p>Aggregated turnover</p> <p>A trust's aggregated turnover for an income year includes its own turnover, as well as the turnover of entities that are its affiliates or are 'connected with' it.</p> <p>The meanings of 'affiliate' and 'connected with' have specific legislative definitions that should be applied to the trust and its potentially related entities for the purposes of calculating its aggregated turnover.</p> <p>More information on this can be found on the ATO website here.</p>	<p>49Q Aggregated turnover</p> <p>Sections 328-125 and 328-130 of the ITAA 1997</p>	

Conclusion

ATO resources

The ATO website contains resources that may help practitioners in preparing tax returns. Some of the ATO's key resources include:

- [Trust tax return 2023](#) (PDF)
- [Trust tax return instructions 2023](#)
- [Tax time toolkit for small businesses](#).

2022–23 tax rates and thresholds

The Tax Rates Tables set out helpful rates and thresholds that will assist you prepare your clients' tax returns. The 2022–23 Tax Rates Tables can be found [here](#).

Final thoughts

The above checklists are not an exhaustive list of all TTR labels. The checklists serve as a reminder of some of the traps that practitioners and taxpayers may encounter when preparing the 2023 TTR.

Underpinning the preparation of a tax return is the key requirement for taxpayers to maintaining good records substantiating any claims.

Practitioners cannot rely solely on the validation errors in their accounting software to ensure they complete the mandatory items in the CTR. If a tax return label is mandatory and incomplete, practitioners may still be liable for penalties under Practice Statement Law Administration [PS LA 2012/4](#) and [PS LA 2012/5](#).

The ATO's [key focus areas](#) include:

- potential reimbursement agreements under section 100A of the ITAA 1936;
- circular distributions;
- family trust distributions; and
- non-resident CGT.

We welcome your feedback on what other traps practitioners encounter when preparing TTRs in our [Community](#) member-only forum.

Abbreviations and acronyms

Legislative abbreviations

Abbreviation	Description
ITAA 1936	<i>Income Tax Assessment Act 1936</i>
ITAA 1997	<i>Income Tax Assessment Act 1997</i>
IT(TP)A	<i>Income Tax (Transitional Provisions) Act 1997</i>
TAA	<i>Tax Administration Act 1953</i>

Acronyms and other abbreviations

Abbreviation	Description
ACCU	Australian carbon credit unit
ADI	Approved deposit-taking institution
AMIT	Attribution managed investment trust
ATO	Australian Taxation Office
CBC	Country-by-country
CCIV	Corporate collective investment vehicle
CFC	Controlled foreign company
CGT	Capital gains tax
CTR	Company tax return
Commissioner	Commissioner of Taxation
FBT	Fringe benefits tax
FIF	Foreign investment fund
FTE	Family trust election
FTDT	Family trust distribution tax
GIC	General interest charge
GPE	Global parent entity
IAWO	Instant asset write-off
IDS	International dealings schedule
ITR	Individual tax return
IEE	Interposed entity election

Abbreviation	Description
MIT	Managed investment trust
PAYG	Pay as you go
POD	Pattern of distribution
PSB	Personal services business
PSI	Personal services income
SBE	Small business entity
SG	Superannuation Guarantee
SGE	Significant global entity
TB	Trustee beneficiary
TFE	Temporary full expensing
TFN	Tax File Number
TOFA	Taxation of financial arrangements
TTR	Trust tax return
UPE	Unpaid present entitlement

Further guidance and information

Further guidance and information is available from the [ATO website](#).

If you have any specific concerns that have not been outlined above, please email taxpolicy@taxinstitute.com.au.

DISCLAIMER: The material and opinions in this article should not be used or treated as professional advice and readers should rely on their own enquiries in making any decisions concerning their own interests.

© 1996–2023 The Tax Institute (ABN 45 008 392 372 (PRV14016)).
All rights reserved. The Tax Institute is a Recognised Tax Agent Association (RTAA) under the *Tax Agent Services Regulations 2009*.