

Australian Individual tax return guide – July 2019

GUIDE TO YOUR AMIT MEMBER ANNUAL STATEMENT

To help you understand your AMIT member annual tax statement and complete your tax return for the 2018/2019 financial year

The Perpetual Credit Income Trust (the Trust) met the eligibility requirements to qualify as an Attribution Managed Investment Trust (AMIT) and elected into the AMIT regime for the 2018/19 and subsequent financial years.

All income attributed to you for the 2018/2019 financial year relates to the distribution paid to you in respect of the financial year ended 30 June 2019. No income has been accumulated in the Trust, as permitted under the AMIT regime.

The AMIT regime requires that the income attributed to you is summarised on an 'AMIT Member Annual statement', in short, an AMMA statement.

ABOUT PART A – YOUR DETAILS

Part A provides a summary of the distributions paid.

If your AMMA statement is for a joint account, it includes 100% of all income distributed / attributed to the joint account. You will need to split the income attributed between the joint account holders in accordance with your records.

HOW TO COMPLETE THE 2019 SUPPLEMENTARY SECTION

The following guidelines will help you if you are required to complete the 2019 supplementary section.

ABOUT PART B – TAX RETURN INFORMATION

There is one item you will need to complete in the 2019 supplementary section using information shown in your AMMA statement. The ATO's instructions are included online in the supplementary tax return section.

Item 13 Partnerships and trusts

Part B provides a summary of the income attributed to you from the Trust that needs to be included in your tax return. Simply copy the amounts from Part B to the corresponding tax return label (whole dollars only).



HOW TO USE THIS GUIDE

This guide is designed to help you understand your AMMA Statement and to assist you in completing your 2019 Tax Return for Individuals (tax return) and the 2019 Tax Return for Individuals (supplementary section).

Part A of your AMMA statement provides a summary of distributions paid. Part B of your AMMA statement applies to Australian resident individual taxpayers. If you are a non resident, or any other investor type, Part B will not be applicable to you. We recommend you consult your tax adviser on how to include the detailed information outlined in Part C of your AMMA statement in your tax return.



COMPLETING YOUR TAX RETURN

The information in this guide is not tax advice and is not a complete guide to completing your tax return. It only relates to your investment in the Trust. You should refer to the Individual tax return instructions 2019 (2019 instruction booklet) which is available from the Australian Taxation Office (ATO) – download it from the ATO website <https://www.ato.gov.au/uploadedFiles/Content/IND/downloads/Individual-tax-return-instructions-2019.pdf> or call 1300 720 092 and the online instructions for the 2019 supplementary section <https://www.ato.gov.au/Individuals/Tax-return/2019/Supplementary-tax-return/>

Additional information is included in the online 2019 tax return instructions <https://www.ato.gov.au/Individuals/Tax-return/2019/Tax-return/>

'Non-Primary Production income' has a tax return label of 13U and should be entered in Item 13 Partnerships and trusts in Label U 'Share of net income from trusts, less capital gains, foreign income and franked distributions'.

If you have received any distributions or income has been attributed to you from other sources, you will need to add all relevant amounts together to complete your 2019 supplementary section.

CAPITAL GAINS

Your AMMA statement does not include any taxable capital gains or losses that may have resulted from your disposal of units in the Trust. You will need to separately calculate the gain or loss from your investment records and include it in your tax return.

You may wish to obtain a copy of the ATO publication 'Personal investors guide to capital gains tax 2019', download it from the ATO website <https://www.ato.gov.au/uploadedFiles/Content/IND/Downloads/Personal-investors-guide-to-capital-gains-tax-2019.pdf> or call 1300 720 092. The more comprehensive 'Guide to capital gains tax 2019' is also available from the ATO website <https://www.ato.gov.au/Individuals/Tax-return/2019/In-detail/Publications/Guide-to-capital-gains-tax-2019/>

ABOUT PART C

Part C provides a detailed breakdown of the income attributed to you for the financial year.

There are four columns relevant for each component listed in Part C:

- 'Distribution/cash' is the actual dollar amount distributed.
- 'Franking credits/tax offset' is the tax that has already been paid on this amount. Since no franking credits or tax offsets were made by the Trust in the 2018/2019 financial year, no amounts will be shown in this column.
- 'Attributed amount in excess of distribution' is the income that has been accumulated in the Trust but attributed to you for tax purposes*. This is often referred to as a 'deemed distribution'. Since no income has been accumulated in the Trust in the 2018/2019 financial year, no amounts will be shown in this column.
- 'Attributed amount' is the sum of the previous columns and is assessable for tax purposes.

AUSTRALIAN INCOME

The 'Australian income' section includes a breakdown of the Part B 'Non-primary production income' amount.

The components under 'Australian income' are:

- **Interest** – amounts earned on cash or fixed interest securities held in Australia.

The 'Attributed amount' sub total is equal to the Part B 'Non-primary production income' amount.

Gross cash distribution – the distribution paid in cash or reinvested in the Trust.

AMOUNTS DEDUCTED

- **TFN amount withheld** – the tax that has been deducted from your distribution if you have not provided your tax file number or Australian business number (ABN).

- **Foreign taxes withheld** – the tax that has been deducted from your distribution if you are not a resident of Australia for tax purposes

Net cash distribution – the sum of all distributions you received from the fund after any applicable tax has been withheld.

2019 TAX RETURN FOR INDIVIDUALS – NET FINANCIAL INVESTMENT LOSS

If you have claimed a deduction in relation to your investment in the Trust, then you will also need to complete question IT5 in the 2019 Tax Return. See pages 62-63 of the 2019 instruction booklet or <https://www.ato.gov.au/Individuals/Tax-return/2019/Tax-return/Income-test-questions-IT1-IT8/IT5-Net-financial-investment-loss-2019/> for the ATO's instructions for this question. Item IT5 'Net Financial Investment Loss' is not used to calculate your taxable income. It may however be used by the ATO to assess your tax offset entitlement, Medicare levy surcharge and other Government entitlements.

OBTAIN YOUR OWN TAX ADVICE

We recommend you seek professional assistance when completing your tax return. If you have questions about your tax return please consult your tax adviser or the ATO. Perpetual is not able to provide you with tax advice. If you have any questions about your investment, your AMMA statement, or this guide, please call 1300 778 468 during business hours (Sydney time) or email perpetual@automicgroup.com.au

* Where this occurs, the cost base of your units will need to be increased. Details of any net cost base adjustment will be included on the AMMA Statement.

This information has been prepared by Perpetual Investment Management Limited ABN 18 000 866 535, AFSL 234426 (PIML) and issued by Perpetual Trustee Services Limited (PTSL) ABN 48 000 142 049, AFSL 236648. PIML and PTSL are part of the Perpetual Group. Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries. The information in this guide is based on information published by the Australian Taxation Office and is believed to be accurate at the time of compilation. It has been provided in good faith, as general information only and does not take into account your objectives, financial situation or needs. The information in this document is not tax advice and should not be relied upon as such. The statements (actual or implied), recommendations and conclusions made in this document are not intended to be a comprehensive and conclusive statement of relevant tax practice or law which is often complex and can change. No company in the Perpetual Group nor the directors, officers, employees or agents of the companies in the Perpetual Group make any representation or warranty as to the accuracy, reliability or completeness of the material in this document. You should assess whether the information in the document is appropriate for your individual circumstances, either by yourself or in conjunction with your tax adviser. Except in so far as liability under any statute cannot be excluded, the companies in the Perpetual Group and their directors, officers, employees and agents do not accept any liability (whether arising in contract, tort or negligence or otherwise) for any error or omission in the information contained in this document or for any loss of damage (whether direct, indirect, consequential or otherwise) suffered by you or any other person. 2936_GAPCIS_0719

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