

## Australian Individual tax return guide – 2021

# GUIDE TO YOUR AMIT MEMBER ANNUAL (AMMA) STATEMENT

### To help you understand your AMMA statement and complete your tax return for the 2020/2021 financial year

The Perpetual Credit Income Trust (the Trust) is an Attribution Managed Investment Trust (AMIT).

The AMMA statement provides a summary of the income attributed to you from the Trust.

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



#### HOW TO USE THIS GUIDE

This guide is designed to help you understand your AMMA Statement and to assist you in completing your 2021 Tax Return for Individuals (tax return) and Tax Return for Individuals (supplementary section).

Part A of your AMMA statement provides a summary of distributions paid. Part B 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 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 2021 (the 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-2021.pdf> or call 1300 720 092 and the online instructions for the supplementary section <https://www.ato.gov.au/Individuals/Tax-return/2021/Supplementary-tax-return/>

Additional information is included in the online tax return instructions <https://www.ato.gov.au/Individuals/Tax-return/2021/Tax-return/>

#### ABOUT PART A – DISTRIBUTIONS PAID

Part A provides a summary of the distributions paid and any tax that has been withheld.

#### ABOUT PART B – TAX RETURN ITEMS

The following guidelines will help if you are required to complete the supplementary section. They do not apply to part year residents, corporates, superannuation entities or trust investors.

There are two items you may need to complete in the supplementary section using information shown on your AMMA statement. The ATO's instructions are included online in the supplementary tax return section.

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).

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

'Assessable foreign source income' on your AMMA statement has a tax return reference of 20E and 20M and should be entered in Item 20 Foreign source income and foreign assets or property at both Label E 'Assessable foreign source income' and Label M 'Other net foreign source income'.

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 supplementary section.

## CAPITAL GAINS

Your AMMA statement does not include any taxable capital gains or losses from your disposal of units in the Trust. You will need to calculate the gain or loss from your investment records separately 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 2021', download it from the ATO website <https://www.ato.gov.au/uploadedFiles/Content/IND/Downloads/Personal-investors-guide-to-capital-gains-tax-2021.pdf> or call 1300 720 092. The more comprehensive 'Guide to capital gains tax 2021' is also available from the ATO website <https://www.ato.gov.au/Individuals/Tax-return/2021/In-detail/Publications/Guide-to-capital-gains-tax-2021/>

## ABOUT PART C – COMPONENT INFORMATION

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:

- 'Cash/Distribution' is the dollar amount distributed.
- 'Franking credits/tax offsets' is the tax that has already been paid on this amount. No amounts will be shown in this column since the Trust had no franking credits or tax offsets to attribute.
- 'Attributed amount in excess of distribution' is the income that has been accumulated in the Trust but attributed to you for tax purposes. It will give rise to a cost base adjustment for capital gains tax purposes.
- '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'.

The components under 'Australian income' are:

- **Interest** – amounts earned on cash or fixed interest securities held in Australia.
- **Other income** – any other income from Australian sources (excluding capital gains) that is taxable.

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

## FOREIGN INCOME

The 'Foreign income' section includes all assessable income that relates to:

- **Interest** – amounts earned on cash or fixed interest securities held outside Australia.
- **Other income** – any other income from investments held outside of Australia that is taxable

The 'Attributed amount' sub total is equal to the Part B 'Assessable foreign source income'.

**Gross cash distribution** – the distribution paid on units held in the Trust.

**Attributed amount in excess of distributions** – the income accumulated in the Trust that has been attributed to you for tax purposes.

### Amounts deducted

- **TFN amount withheld** – the tax that has been deducted from the income attributed to you if you have not provided your tax file number or Australian business number (ABN).
- **Foreign taxes withheld** – the tax that has been deducted from the income attributed to you if you are not a resident of Australia for tax purposes

**Net cash distribution** – the sum of all distributions you received from the Trust in cash or reinvested in the Trust after any applicable tax has been withheld.

## 2021 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 your Tax Return. See pages 62-63 of the instruction booklet or <https://www.ato.gov.au/Individuals/Tax-return/2021/Tax-return/Income-test-questions-IT1-IT8/IT5-Net-financial-investment-loss-2021/> 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.

## AMIT COST BASE ADJUSTMENT

The net increase (shortfall) amount will increase the cost base of your units when determining any capital gain or loss on the disposal of your units if income has been accumulated in the Trust and attributed to you. The net decrease (excess) amount will reduce the cost base of your units when determining any capital gain or loss on the disposal of your units.

## 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](mailto:perpetual@automicgroup.com.au)

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## MORE INFORMATION

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