

COMPLETING YOUR NEW ZEALAND TAX RETURN 2015-2016

To help you complete your New Zealand 'Individual Tax Return IR3', we have prepared some guidance notes for the questions regarding overseas income.

Please use these notes in conjunction with your New Zealand Tax Statement, which contains information about your investments with Perpetual.



WHICH INCOME TAX RETURN FORM SHOULD YOU USE?

If you are an individual and a New

Zealand resident taxpayer who has an investment in any of Perpetual's funds, you may be required to complete an 'Individual Tax Return IR3' for the New Zealand Inland Revenue Department.

Please see the 'Individual Income Tax Return IR3 Guide 2016' for further information, including the circumstances where you must file an 'Individual Tax Return IR3'.

This guide is only applicable if you are completing an 'Individual Tax Return IR3'. Different rules may apply if you are preparing a return on behalf of a trust, partnership or company.



OFFSHORE PORTFOLIO INVESTMENT RULES

Perpetual funds are registered

Australian unit trusts. Accordingly, the foreign investment fund (FIF) rules may apply to your investment in Perpetual funds.

AU\$

CURRENCY

The information on your Tax Statement is in Australian dollars.

You will need to convert these amounts to New Zealand dollars. To do this you will need to determine the relevant exchange rate to use.

You can obtain the relevant exchange rate(s) from the following sources:

- refer to the exchange rate tables found on the New Zealand Inland Revenue Department's website www.ird.govt.nz
- refer to the exchange rate(s) in the New Zealand Inland Revenue Department's 2016 conversion of overseas income to New Zealand currency (IR270) leaflet, found on the New Zealand Inland Revenue Department's website www.ird.govt.nz
- by calling the New Zealand Inland Revenue Department on **0800 377 774** (within New Zealand)
- by contacting the overseas section of one of New Zealand's major trading banks.



INFORMATION CONTAINED IN THIS GUIDE IS NOT TAX ADVICE

We recommend you consult your financial or taxation adviser or the New Zealand Inland Revenue Department when completing your 'Individual Tax Return IR3', as we are not able to provide you with any tax advice. To discuss any aspect of your investment with Perpetual, phone us, toll free, on 0800 442 261 during business hours (Sydney time).



IMPUTATION CREDITS

No New Zealand imputation credits were attached to any distributions made

by Perpetual funds during the year ended 31 March 2016.



IMPORTANT INFORMATION

Following changes to Australian tax law, the majority of New Zealand resident investors will no longer be required to lodge an Australian income tax return. Accordingly, we no longer issue Australian tax statements to investors who have an address outside of Australia unless you contact us and request one after 30 June.

The information in this guide is of a general nature only and should not be relied on. For general information about Australian tax for non-resident investors, see the current product disclosure statements for Perpetual funds at www.perpetual.com.au



QUESTIONS APPLYING TO OVERSEAS INCOME IN THE INDIVIDUAL TAX RETURN IR3

Overseas Income (refer to the 'Individual Tax Return IR3 Guide 2016')

You can use the first page of your Tax Statement to help you calculate 'Total overseas income' from Perpetual and the total amount of Australian tax withheld. Please refer to A guide to foreign investment funds and the fair dividend rate (IR461), found on the New Zealand Inland Revenue Department's website www.ird.govt.nz.

Please note:

- a) you will need to calculate any 'Quick Sale' amounts separately using the information provided during the year
- b) if you have a number of foreign investments you will need to consolidate the information.

The New Zealand Inland Revenue Department requires you to provide proof of any overseas tax paid. A copy of the front page of your Tax Statement or alternatively, a copy of your Distribution Statements could be used for this purpose.

Foreign rights disclosure (refer to the 'Individual Income Tax Return IR3 Guide 2016')

While Perpetual funds fall within the definition of a Foreign Investment Fund, the New Zealand Inland Revenue Department has previously provided an exemption from disclosure for New Zealand investors who hold less than 10 per cent of an Australian unit trust, including Perpetual funds. Refer to the New Zealand Inland Revenue Department's April/May 2016 Tax Information Bulletin for the foreign investments that do not require additional disclosure.



DEDUCTIBILITY OF THE MEMBER ADVICE FEE

If you paid a member advice fee in relation to your

investments in a Perpetual fund it may be deductible. This will depend on your circumstances and the nature of the services provided by your adviser – you should consult your tax adviser for further information.

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FURTHER INFORMATION

Phone 0800 442 261 (toll free from New Zealand)
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