



Tax Guide 2021

This guide is designed to help you understand your Fidante Partners tax statement and assist you with completing your 2021 Tax Return

Fidante Partners Limited
(ABN 94 002 835 592)
(AFSL 234668)

Fidante Partners Services Limited
(ABN 44 119 605 373)
(AFSL 320505)



SAMPLE FIDANTE PARTNERS TAX STATEMENT



ANNUAL TAX STATEMENT

Fidante Partners Sample Fund

Issued by Fidante Partners
ABN 12 345 678 912
AFSL 123456

Mr B Sample
123 Sample Street
SYDNEY NSW 2000

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GPO Box 3642 Sydney NSW 2001

Account number: 000000000
Account name: B Sample

Reporting period
1 July 2020 to 30 June 2021
Statement issue date
31 July 2021

Part A – Summary of 2021 tax return (supplementary section) items

	Amount (\$)	Tax return label
Partnership and trusts – Non- primary production		
Share of net income from trusts, less net capital gains, foreign income and franked distributions	600.00	13U
Franked distributions from trusts	16,880.00	13C
Other deductions relating to non-primary production income	0.00	13Y
Share of credits from income and tax offsets		
Share of franking credit from franked dividends	13,700.00	13Q
Share of credit for TFN amounts withheld from interest, dividends and unit trust distributions	0.00	13R
Share of credit for foreign resident withholding amounts (excluding capital gains)	6,900.00	13A
Early stage venture capital limited partnership tax offset: current year tax offset	2,434.00	T7K
Early stage investor tax offset: current year tax offset	806.00	T8L
Capital Gains		
Net capital gain	47,060.00	18A
Total current year capital gains	94,160.00	18H
Foreign source income and foreign assets or property		
Assessable foreign source income	260.00	20E
Other net foreign source income	260.00	20M
Australian franking credits from a New Zealand franking company	0.00	20F
Foreign income tax offset	80.00	200

PLEASE RETAIN THIS STATEMENT FOR INCOME TAX PURPOSES

13 Partnerships and trusts

Include any deferred non-commercial business losses from a prior year at X or Y as appropriate and insert the relevant code in the TYPE box.

Primary production

Distribution from partnerships N
Share of net income from trusts L
Landcare operations and deduction for decline in value of water facility, fencing asset and fodder storage asset I
Other deductions relating to amounts shown at N and L X

Non-primary production

Distribution from partnerships, less foreign income O
Share of net income from trusts, less capital gains, foreign income and franked distributions U
Franked distributions from trusts C
Landcare operations expenses J
Other deductions relating to amounts shown at O, U and C Y
Partnership share of net small business income less deductions attributable to that share D
Trust share of net small business income less deductions attributable to that share E

Share of credits from income and tax offsets

Share of credit for tax withheld where Australian business number not quoted P
Share of franking credit from franked dividends Q
Share of credit for tax file number amounts withheld from interest, dividends, and unit trust distributions R
Credit for TFN amounts withheld from payments from closely held trusts M
Share of credit for tax paid by trustee S
Share of credit for foreign residents withholding amounts (excluding capital gains) A
Share of National rental affordability scheme tax offset B

Net primary production amount

Show amounts of:
capital gains from trusts at item 18 and
foreign income at item 19 or 20.

Net non-primary production amount

Show amounts of:
credit for foreign resident capital gains withholding from trusts at item 18.

18 Capital gains

Did you have a capital gains tax event during the year? G NO YES You must print X in the YES box at G if you had an amount of capital gains from a trust.

Have you applied an exemption or rollover? M NO YES CODE

Net capital gain A

Total current year capital gains H

Net capital losses carried forward to later income years V

Credit for foreign resident capital gains withholding amounts X

20 Foreign source income and foreign assets or property

Assessable foreign source income E

Other net foreign employment income T

Net foreign pension or annuity income WITHOUT an undeducted purchase price L

Net foreign pension or annuity income WITH an undeducted purchase price D

Net foreign rent R

Other net foreign source income M

Also include at F Australian franking credits from a New Zealand franking company that you have received indirectly through a partnership or trust.

Australian franking credits from a New Zealand franking company F

Net foreign employment income - payment summary U

Exempt foreign employment income N

Foreign income tax offset O

During the year did you own, or have an interest in, assets located outside Australia which had a total value of AUD\$50,000 or more? P NO YES

Tax offsets

Current year tax offset K

T7 Early stage venture capital limited partnership

Tax offset carried forward from previous year M

T8 Early stage investor

Current year tax offset L

Tax offset carried forward from previous year O

UNDERSTANDING THE COMPONENTS OF YOUR FIDANTE PARTNERS TAX STATEMENT

Your Fidante Partners tax statement shows the income to which you were entitled for the year ended 30 June 2021. Some of the income shown on your Fidante Partners tax statement might have been received after 30 June 2021, but your entitlement to that income arose on or before 30 June and therefore must be included in your 2021 Tax Return. The total amounts shown on your distribution statements for the financial year may not equal the amounts shown on your Fidante Partners tax statement. Only your 2021 Fidante Partners tax statement should be used to complete your 2021 Tax Return.

This tax statement provides the information required for Australian individual tax residents completing the 'Tax return for individuals (supplementary section) 2021'.

Your Fidante Partners tax statement is separated into two parts.

- Part A – Summary of 2021 tax return (supplementary section) items
- Part B – Components of a distribution

Part A – Summary of 2021 tax return (supplementary section) items

The following summary does not apply to non-residents, part-year residents, companies, superannuation entities or trustee investors.

There are three items you may need to complete in the 'Tax return for individuals (supplementary section) 2021' in relation to the distributions you have received from your investments with Fidante Partners. They are:

- Item 13: Partnerships and trusts
- Item 18: Capital gains
- Item 20: Foreign source income and foreign assets or property.

Your Fidante Partners tax statement has been designed so that the amounts in Part A of the Fidante Partners tax statement correspond to the amounts you are required to enter in the 'Tax return for individuals (supplementary section) 2021'.

Record the amounts from Part A of your Fidante Partners tax statement to the corresponding sections of the 'Tax return for individuals (supplementary section) 2021'.

For example, the first amount under Part A of your Fidante Partners tax statement, 'Share of net income from trusts, less net capital gains, foreign income and franked distributions' corresponds to Item 13U in 'Tax return for individuals (supplementary section) 2021'. This means that this amount should be entered in 13U on your tax return.

Your Fidante Partners tax statement only shows the items that are applicable to your account. Please note that if you have amounts that have been attributed or distributed from other sources, you will also need to include these amounts at the relevant items.

1. Franking credits

Australian tax legislation contains rules that may restrict the availability of tax offsets in respect of franked dividends. These rules may affect the amount of franking credits you disclose at 13Q and depend on your individual circumstances. Specialist tax advice should be sought to consider your particular circumstances.

2. Total current year capital gains

If there is an amount listed under 'Total current year capital gains' in your Fidante Partners tax statement, you will need to print X in the 'Yes' box at 18G.

If you have more than one investment and your total year capital gains are from more than one source, or have capital losses from other sources, you will need to use the amount at 18H on your Fidante Partners tax statement to calculate your net capital gain for 18A. Please refer to the 'Personal investors guide to capital gains tax 2021' or 'Guide to capital gains tax 2021' publications available from the Australian Taxation Office (ATO).

3. Foreign income tax offsets

To help you determine whether you are entitled to a foreign income tax offset, please refer to the 'Guide to foreign income tax offset rules 2021' publication available from the ATO.

Part B – Components of a distribution

The following explains what each component under Part B of your Fidante Partners tax statement is.

Australian income

1a. Interest

Interest can include the amount earned on cash and/or fixed interest investments held in Australia.

1b. Dividends – unfranked

These are dividends paid by Australian companies out of earnings which have not been subject to tax. Unfranked dividends do not carry franking credits.

1c. Dividends – unfranked – Conduit Foreign Income (CFI)

Unfranked dividend paid out of conduit foreign income (CFI).

1d. Cleaning building managed investment trust (MIT) income

Income attributed to a MIT that holds energy efficient commercial buildings constructed on or after 1 July 2012.

1e. Non-Concessional Managed Investment Trust Income (NCMI)

A fund payment will be attributable to NCMI income if it is: MIT cross staple arrangement income; MIT trading trust income; MIT agricultural income or MIT residential housing income.

1f. Excluded from NCMI – non-primary production income

Fund payments that are attributable to NCMI except when they are excluded due to – Approved economic infrastructure facility exception or the following transitional provisions – MIT cross staple arrangement income; MIT trading trust income; MIT agricultural income or MIT residential housing income.

1g. Other income

Other income can include rental income from direct or indirect property investments.

2. Dividends – franked

These are dividends paid by Australian companies out of earnings which have been subject to tax.

Franked dividends carry franking credits that reflect the amount of tax that has already been paid by the company prior to paying the dividend. A resident individual shareholder receiving a franked dividend may be allowed a tax offset in respect of these franking credits, subject to satisfying certain rules which restrict the availability of the franking credits. Franking credits relating to these dividends are included in your assessable income.

3. Capital gains

The capital gains section provides information about the capital gains made by the relevant fund(s) during the year. It does not include any capital gains or losses relating to the disposal of your units in a fund.

You will need to consider whether you are required to complete the 'Capital gains tax (CGT) schedule 2021' from the ATO.

You will notice that the capital gains have been dissected into capital gains TAP (Taxable Australian Property) and capital gains NTAP (Non-Taxable Australian Property) for each type of capital gain. We have dissected these amounts to enable foreign resident investors to determine the appropriate tax treatment in relation to capital gains distributed by the relevant fund(s).

3a. Discounted Capital gain TAP and NTAP

Investments disposed of that have been held for more than 12 months should be eligible to a 50% discount on the gross capital gain. This is called the discounted capital gain.

3b. Capital gains – other method TAP and NTAP

This includes capital gains that are not discounted (for example, where assets have been held for 12 months or less).

3c. Net capital gain

This item represents the sum of the net capital gains distributed to you.

3d. Capital gains tax (CGT) concession amount

This amount represents the non-assessable component of a discounted capital gain paid to you.

3e. Total current year capital gains

This represents the total capital gains amounts distributed to you. If you have capital gains or any prior or current year capital losses from other sources you may also need to include these in your 2021 Tax Return. You should obtain copies of the 'Personal investors guide to capital gains tax 2021' and the 'Guide to capital gains tax 2021' publications available from the ATO.

3f. Clean Building Managed Investment Trust (MIT) capital gain

Capital gain attributed to a Clean Building MIT.

4. Foreign income

Foreign income is income derived from sources outside Australia. This section does not include foreign capital gains. Please refer to the capital gains sections for information on any foreign capital gains. Assessable foreign source income includes any foreign income that is assessable for Australian tax purposes.

5. Other non-assessable amounts

5a. Net exempt income

Net exempt income is not assessable to you.

5b. Tax-free amounts

Tax-free income is not assessable in the year you derive it. However, on disposal of units, the amount should be deducted from the reduced cost base when calculating any capital loss.

5c. Tax-deferred amounts

Tax-deferred income is generally not assessable in the year it is derived by you. Tax-deferred income will reduce the cost base of your units and will affect your capital gain or loss on their disposal. Where the tax-deferred income received exceeds your adjusted cost base, you may also make a capital gain equal to the excess.

5d. Return of capital

Generally, a return of capital represents a payment from the capital of the fund and will reduce the cost base of your units and affect your capital gain or loss on disposal. Where the sum of any tax-deferred amounts and returns of capital paid in respect of your units exceed your adjusted cost base, you may also make a capital gain equal to the excess.

5e. Gross cash distribution

Includes all cash distributions as well as other non-cash entitlements that you may have, such as an entitlement to additional member interests.

6. Other amounts deducted from trust distribution

6a. TFN amounts withheld

If you have not provided us with your tax file number (TFN), Australian business number (ABN) or an exemption, we are required to deduct tax from your distributions. Tax will be deducted at the highest marginal rate (plus the Medicare Levy and any additional taxes or levies we are required to deduct from time to time) and is payable to the ATO.

TFN amounts withheld may be refunded by the ATO when you lodge your Tax Return.

6b. Non-resident withholding amount

We are required to deduct non-resident withholding tax in respect of certain distributions paid to investors who are not residents of Australia for tax purposes. Non-resident withholding amount deducted is payable to the ATO.

Part C – Tax Offset Amounts

These are the offsets that may be available to be claimed in your return. As noted in Part A above, there are rules that restrict the availability of tax offsets, and we recommend that you obtain tax advice regarding the tax offsets that can be claimed in your tax return.

1a. Early stage venture capital limited partnership tax offset

A tax offset for investing in early stage venture capital activities.

1b. Early stage investor tax offset

A tax offset for investing in a qualifying early stage innovation company (ESIC).

COMPLETING YOUR 2021 TAX RETURN

This guide comprises general tax comments and information only, that is current at the time of publication. The application of tax laws depends on your individual circumstances. Therefore, you should not interpret this guide as providing advice or as a substitute for receiving professional advice. Australian tax law is complex and it is recommended that you seek professional advice in preparing your 2021 Tax Return. Additional information is also available from the Australian Taxation Office (ATO).

The numbers on your Fidante Partners tax statement will be different to the sample provided. The sample has been produced as a guide only.

If you have received distributions or attributions from other sources you may also need to include these amounts in your Tax Return. Please refer to the disclaimer below.

To complete your Tax Return you will need:

Individual Tax Return Instructions 2021	Available from www.ato.gov.au or by phoning the ATO on 1300 720 092.
Individual Tax Return Instructions Supplement 2021	Available from www.ato.gov.au by phoning the ATO on 1300 720 092.
Fidante Partners tax statement(s)	If you have also received income from other sources, or disposed of any assets, you will also need the relevant tax information relating to these along with your Fidante Partners tax statement(s).
Fidante Partners Tax Guide 2021 (this document)	Available online at our website www.fidante.com.au .

FREQUENTLY ASKED QUESTIONS

Can anyone use this guide?

This guide has been prepared for individual Australian residents (for tax purposes). If you were not an Australian resident (for tax purposes) for the full financial year, or if your investment is held in the name of a trust, partnership or company, this guide is not relevant to you.

What happens if I have more than one investment?

If you have more than one investment with us you may receive a separate Fidante Partners tax statement for each investment. You will need to combine the amounts from the same sections on each statement together and enter one total amount in the relevant section of your Tax Return. The sample on pages 2 to 3 of this guide provides general instructions on how to use the information in your Fidante Partners tax statements to complete the Tax Return.

What if I have a joint investment?

If your investment is held in joint names, the information contained in your Fidante Partners tax statement may need to be divided between the joint investors in proportion to ownership.

Do I also have to pay capital gains tax in respect of a disposal of my units?

If you have disposed (e.g. switched, redeemed, transferred etc) some or all of your units during the financial year, and/or have had an adviser service fee deducted from your investment, you may be subject to capital gains tax in respect of the disposal.

The information in the Fidante Partners tax statement does not include any taxable capital gains or losses relating to your disposals of units. Further information on capital gains and losses is contained in the 'Guide to capital gains tax 2021' available from the ATO.

Do I get a tax deduction for management fees and expenses paid by the fund?

Management fees and expenses are not tax deductible to the investor. These are charged to the relevant fund(s) and have already been deducted from distributed income.

I have franking credits but am not completing a Tax Return. How can I claim these?

Even if you are not completing a 2021 Tax Return you may still be able to claim your franking credits. You should phone the ATO on 1300 720 092 and request the relevant form.

DO YOU NEED FURTHER ASSISTANCE IN COMPLETING YOUR TAX RETURN?

Further information to assist you in completing your 2021 Tax Return is contained in the Individual Tax Return Instructions 2021 and in the Individual Tax Return Instructions Supplement 2021.

Both of these publications are available from www.ato.gov.au or by phoning the ATO on 1300 720 092.

For queries regarding the completion of your tax return you should seek specialist tax advice or call the ATO Individual Infoline on 13 28 61.

CONTACTING US

For all queries regarding your investment, please speak to your financial adviser or contact our Investor Services team on 13 51 53.

Disclaimer

The information contained in this publication (current at 1 July 2021) has been prepared as a guide only and is provided by Fidante Partners Limited ABN 94 002 835 592, AFSL 234668 and Fidante Partners Services Limited ABN 44 119 605 373, AFSL 320505 (both 'Fidante Partners'). It should be regarded as general information only rather than advice and has been prepared using publicly available information published by Government organisations and without taking into account any person's objectives, financial situation or needs. Fidante Partners is not a registered tax (financial) adviser and is not licensed or authorised to provide tax advice.

If you intend to use this information to help you satisfy liabilities, obligations or claim entitlements, we strongly recommend that you seek professional tax advice for your individual circumstances first.

Whilst every care has been taken in the preparation of this guide, it does not purport to contain all the information a person completing their Tax Return may require.

No representation is given, warranty made or responsibility taken for the accuracy or completeness of any information or conclusion contained in this guide.

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