Print whole section

Individual supplementary tax return and instructions 2025

Instructions to help you complete a paper supplementary tax return for individuals 2024–25 (NAT 2679).

Last updated 27 May 2025

How to get the Individual supplementary tax return 2025

How to get the Individual tax return (NAT 2679) and a copy of the instructions.

Income questions 13-24 – supplementary tax return 2025

Instructions to help you to complete income questions 13 to 24 in your paper supplementary tax return.

Deduction questions D11-D15 – supplementary tax return 2025

Instructions to help you to complete deduction questions D11 to D15 in your paper supplementary tax return.

Tax offset questions T3–T9 – supplementary tax return 2025

Instructions to help you to complete tax offset questions T3 to T9 in your paper supplementary tax return.

A5 Amount you paid family trust distribution tax on 2025

Complete question A5 if you receive a distribution on which family trust distribution tax has been paid.

QC 104254

How to get the Individual supplementary tax return 2025

How to get the Individual tax return (NAT 2679) and a copy of the instructions.

Last updated 27 May 2025

Get the supplementary tax return

Go to Supplementary tax return for individuals NAT 2679 on our Publications Ordering Service (POS) at iorder.com.au to get a copy.

What you can do with the supplementary tax return

Using the supplementary tax return for individuals, you can complete the supplementary section of your tax return by paper.

Once you complete the form, you can lodge the supplementary section along with your individual tax return. We process most paper tax returns within 50 business days.

Limitations

If you're required to complete income questions **13**, **14**, **15** or **16**, you should lodge your tax return online using myTax or a registered tax agent.

If you're unable to use myTax or a registered tax agent, contact us and we'll send you a paper tax return that includes the *Business and professional items schedule 2025*.

Help completing this form

To help you complete the supplementary tax return, you may need the Individual supplementary tax return instructions 2025.

You may also need the Individual tax return instructions 2025.

Better ways to lodge a tax return

To get your refund faster – generally within 10 business days – lodge online with myTax.

Lodge now with myTax

For details about the personal information we collect from you, see Privacy notice – Individual tax return and schedules.

QC 104255

Income questions 13-24 – supplementary tax return 2025

Instructions to help you to complete income questions 13 to 24 in your paper supplementary tax return.

Published 27 May 2025

13 Partnerships and trusts 2025

Complete question 13 in the supplementary tax return to declare income from partnerships and trusts.

14 Personal services income 2025

Complete question 14 in the supplementary tax return to declare personal services income (PSI).

15 Net income or loss from business 2025

Complete question 15 in the supplementary tax return for income you derive or losses you incur from any business.

16 Deferred non-commercial business losses 2025

Complete question 16 to report deferred non-commercial business losses.

17 Net farm management deposits or repayments 2025

Complete question 17 to report net farm management deposits and withdrawals. Primary producers only.

18 Capital gains 2025

Complete question 18 to report capital gains tax events, capital gains (income) and capital losses.

19 Foreign entities 2025

Complete question 19 of the supplementary tax return to report your interests in foreign entities

20 Foreign source income and foreign assets or property 2025

Complete question 20 of the supplementary tax return to report foreign source income and foreign assets or property.

21 Rent 2025

Complete question 21 of the supplementary tax return to report your rental property income and claim deductions.

22 Life insurance companies and friendly societies bonuses 2025

Complete question 22 to report bonuses from life insurance companies and friendly societies.

23 Forestry managed investment scheme income 2025

Complete question 23 to include income from forestry managed investment schemes.

24 Other income 2025

Complete question 24 to declare other types of income in your supplementary tax return.

Total supplement income or loss 2025

Complete the total supplement income or loss section in your supplementary tax return.

QC 104256

13 Partnerships and trusts 2025

Complete question 13 in the supplementary tax return to declare income from partnerships and trusts.

Last updated 27 May 2025

Things you need to know

You need to report at this question income from partnerships and trusts. You'll need to lodge a *Business and professional items schedule 2025*, if you conduct a business activity as a partner in a partnership that results in either:

- a loss
- a loss after deducting your expenses.

You should lodge your tax return using myTax or a registered tax agent. If you're unable to use myTax or a registered tax agent, contact us and we will send you a paper tax return that includes the *Business and professional items schedule 2025*.

If the partnership in which you're a partner pays you a salary, wages or allowances, you must show that income at this question.

If you receive or are entitled to an amount of income from a partnership or trust which includes a dividend with Australian franking credits from a New Zealand franking company, you may be eligible to claim the Australian franking credits. For information on how to claim Australian franking credits from a New Zealand franking company, see question 20 Foreign source income and foreign assets or property 2025. You can't claim New Zealand imputation credits.

If you defer non-commercial business losses from a prior income year, you may be able to claim them in 2024–25, if you operate the same or a similar business activity.

The deferred non-commercial business loss deduction you can claim in 2024–25 may be reduced if you earn net exempt income in 2024–25. For more information, see How to offset your losses.

If you become bankrupt (or receive a relief from debt), the deferred losses will no longer be available. You can't deduct the loss in 2024–25 or any future income year.

For more information on how exempt income and bankruptcy affect deferred non-commercial business losses, see paragraphs 117 and 118 of Taxation Ruling TR 2001/14 *Income tax: Division 35 – non-commercial business losses*.

Don't show at this question any distribution from a partnership or trust in relation to foreign resident capital gains withholding credit. Show them at question **18**.

If you're entitled to an amount of trust income on 30 June 2025, you need to include your share of the net income of the trust in your tax return for 2024–25 even if you don't receive an amount from the trust until after 30 June 2025. If you don't have advice about all of your trust entitlements, contact your trustee.

If the trust income that you receive or are entitled to includes an amount described as tax-free, tax deferred, tax exempted or as a capital gains tax (CGT) concession, then read the information on **non-assessable payments** in Guide to capital gains tax 2025.

While you may not need to include such amounts at this question, they may be relevant in determining the amount of a net capital gain you show at question **18** or may affect the cost base of your unit or trust interest.

Don't show all categories of income from a partnership or trust at this question. If your partnership distribution or your trust statement of distribution or advice includes amounts in the following categories, show them at other questions in your tax return, as follows:

- show capital gains from trusts at question **18**, unless the instructions tell you otherwise
- show attributed foreign income at question **19**
- show other foreign source income at question **20**.

If you're the principal beneficiary of a special disability trust, you're considered to be entitled to all the income of the trust.

Don't show at this question your entitlement to an early-stage venture capital limited partnership (ESVCLP) tax offset as determined by a partnership or trustee of a trust. Show it at question **T7**.

Don't show at this question your entitlement to an early-stage investor tax offset as a beneficiary of a trust or a partner in a partnership. Show it question **T8**.

You shouldn't receive a distribution of a net capital gain or a net capital loss from a partnership. For information on how a partner shows their share of a capital gain or capital loss, see Guide to capital gains tax 2025.

Do you need to complete question 13?

If you answer yes to either of the following 2 questions, you'll need to complete question **13** in the supplementary tax return:

- Do you receive or are you entitled to one of the following
  - income or a loss from a partnership
  - income from a trust (including a managed fund)
  - a credit for amounts of tax paid on, or amounts withheld from, partnership or trust income
  - a share of the 'national rental affordability scheme' tax offset?
- Do you have an interest in a trust that make a loss from primary production activities?

If you receive, or are entitled to, a share of the income of a trust (including a managed fund), you must show your share of the trust's net income (for tax purposes) at this question. Don't show these amounts at questions **10** or **24**.

The amount of your share of the trust's net income (for tax purposes) may be different from the actual distribution that you receive or are entitled to receive from the trust. Your trustee should provide you with details of your share of the trust's net income in your trust statement of distribution or advice. If you haven't been advised about your share of the trust's net income, contact your trustee.

You must show at this question your share of the net income from a managed fund, including:

- exchange traded funds (ETFs)
- cash management trust
- money market trust

- mortgage trust
- unit trust
- property trust
- share trust
- equity trust
- growth trust
- imputation trust
- balanced trust.

If you're unsure whether you have invested in such a trust, check with your advisor or the entity you invest in.

If you're entitled to one or more distributions from trusts, you must attach a Trust income schedule 2025 you complete to your tax return.

If you don't have income to declare at question 13, go to question 14 Personal services income 2025.

Don't include at this question

Don't show the following income at this question or you may be taxed incorrectly:

- Attributed foreign income and any other foreign source income from a partnership or trust (unless we instruct otherwise), see questions **19** and **20.**
- A capital gain from a trust (unless instructed otherwise), see question **18.**
- A capital gain or a capital loss in respect of your interest in a partnership or a partnership asset, see question **18.**
- Income from a corporate limited partnership, see question **11.**
- Income from a public trading trust or a corporate unit trust, see question **11.**
- Interest you receive, or are credited with, from a joint account, where you quote your individual TFN to the financial institution, see question **10.**

- That part of a distribution that relates to an amount of trust income on which family trust distribution tax has been paid, and shown at question **A5,** or on which trustee beneficiary non-disclosure tax has been paid.
- Rent you derive jointly (or in common) with another person from a jointly held property where you aren't a member of a partnership carrying on a business of renting out properties, see question **21**.

What you need to answer this question

You'll need:

- a statement of distribution or advice from the partnership or trustee showing the following details in relation to your share of partnership distribution or share of trust net income for tax purposes, including
  - the amount of any primary production income or loss and the amount of any non-primary production income or loss
  - the amount of net small business income from a small business entity trust or partnership
  - the amount of any franked distribution from a trust
  - the amount of attributed foreign income and other foreign source income
  - the amount of any income on which family trust distribution tax or trustee beneficiary non-disclosure tax has been paid
  - details that you're a chosen beneficiary if you're the beneficiary of a discretionary primary production trust that has made a loss
  - your entitlement to any of the following credits or tax offsets
    - credit for amounts of tax withheld because the partnership or trust fails to quote its ABN
    - credit for amounts of tax withheld by the trustee of a closely held trust because you don't provide your TFN
    - credit for amounts of tax withheld due to the imposition of non-resident withholding tax or managed investment trust withholding tax from partnership or trust income you receive when you're a resident

  - share of the 'national rental affordability scheme' tax offset
  - allowable franking credits from franked dividends
  - credit for TFN amounts withheld
  - credit for tax paid by the trustee
- details of any deductions you can claim against your partnership income or your share of the trust's net income that the partnership or trust didn't already claim.

If you're a partner in a partnership that makes a loss, in addition to question **13,** you must complete in the *Business and professional items schedule 2025*:

- **P3 Number of business activities**
- **P9 Business loss activity details**.

If you think that any details are wrong or are missing from your statement of distribution or advice, contact the managing partner or trustee.

If you're a foreign resident who receives a fund payment from a managed investment trust on which an amount is withheld, see Withholding tax arrangements for managed investment trust fund payments.

Completing your supplementary tax return

To complete this question, answer the following questions and parts.

Residency and capacity questions

Before you start, answer the following 3 questions.

Are you an Australian resident in receipt of, or entitled to receive, Australian source income from a non-resident trust?

If you're an Australian resident, you may be able to claim a credit for Australian withholding tax you have borne on any Australian source:

- dividend
- interest
- royalty

- payment from an Australian managed investment trust included in the income of a non-resident trust to which you're entitled – a non-resident trust is a trust which, for all of 2024–25, has both
  - non-resident trustees only
  - its central management and control outside Australia.

Are you under a legal disability?

If you're under a legal disability, you may be able to claim a credit for the tax that the trustee pays on your share of the trust's net income. You're considered to be under a legal disability if you:

- are under 18 years old on 30 June 2025
- are a person who is bankrupt
- have been declared legally incapable because of a mental condition.

Are you a foreign resident?

If you aren't an Australian resident, you may be able to claim a credit for the tax that the trustee pays on your share of income from a resident trust.

Outcome of questions

If you answer **No** to all 3 questions, go to Part A.

If you answer **Yes** to any of the 3 questions, you need to provide additional information:

- write on a separate sheet of paper:
  - the heading **Schedule of additional information – Question 13**
  - your name, address and TFN
  - the name of the trust, your share of income from the trust and any credit you're entitled to claim for that income
  - explain your situation
- print **X** in the **Yes** box at **Taxpayer's declaration** in your tax return
- attach your schedule to your tax return.

Read on.

Part A

Are you a partner in a partnership that derives income or makes a loss?

- **No** – Go to Part B.
- **Yes** – Read on.

If the partnership makes a loss, you should lodge your tax return using myTax or a registered tax agent. If you're unable to use myTax or a registered tax agent, contact us and we will send you a paper tax return that includes the *Business and professional items schedule 2025*.

Step 1

Write the total of your share of primary production partnership income or loss at question **13** – label **N Distribution from partnerships**. Don't show cents.

If you have a loss, print **L** in the box at the right of label **N**.

Step 2

Write the total of your share of non-primary production partnership income or loss (excluding any attributed foreign income or other foreign source income) at question **13** – label **O**. Ensure you include at label **O** your share of any franked distributions (this may be on your distribution statement from the partnership). The amount you include at label **O** should include the amount of any attached franking credits. Don't show cents.

If you have a loss, print **L** in the box at the right of label **O**.

Step 3

If the amount at labels **N** or **O** includes a loss from a business activity operated by one or more of your partnerships, complete in the *Business and professional items schedule 2025*:

- **P3 Number of business activities**
- **P9 Business loss activity details.**

Part B

Do you receive, or are you entitled to, income from a trust, or do you have an interest in a trust that makes a loss from primary production activities?

- **No** – Go to Part C.
- **Yes** – Read on.

If you're the principal beneficiary of a special disability trust you're considered to be entitled to all of the income of the trust.

Your statement of distribution or advice from the trust should show separately your share of primary production and non-primary production income (excluding net capital gains, foreign income and franked distributions) included in the calculation of the trust's net income (for tax purposes). It also shows whether the trust makes a loss in relation to either or both of these income categories. This information is needed for averaging purposes.

You show your share of any primary production trust income or loss included in the calculation of the trust's net income at question **13** – label **L** in your supplementary tax return. You show your share of other trust income or loss included in the calculation of the trust's net income at the relevant question, either:

- question **13** – label **U**, question **13** – label **C**
- questions **18**, **19** or **20**.

If the trust makes an overall loss for tax law purposes in 2024–25, the loss is retained in the trust. You'll have no share of the net income of the trust.

Step 1

Write the total of your share of **primary production** trust net income or loss at question **13** – label **L** in your supplementary tax return. Ensure that you include at label **L** your share of any primary production, **Non-concessional MIT income** and **Excluded from Non-concessional MIT income**. Don't show cents.

If you have a loss, print **L** in the box at the right of label **L**.

Step 2

Write the total of your share of **non-primary production** trust net income or loss at question **13** – label **U** in your supplementary tax return. Ensure that you include at label **U** your share of any non-

primary production, **Non-concessional managed investment trust (MIT) income** and **Excluded from non-concessional MIT income**. Don't show cents.

If you have a loss, print **L** in the box at the right of label **U**.

If your statement of distribution or advice shows these amounts separately, exclude:

- capital gains
- attributed foreign income
- other foreign source income
- franked distributions from trusts.

Include any share of credits to be shown for share of credits from income covered in Part F.

If you have a loss, print **L** in the box at the right of label **U**.

Your statement of distribution or advice may show that your share of the trust's net capital gain is more than the overall amount of your share of the trust's net income (for tax purposes) included at question **13**. For example, because it shows a share of primary production or non-primary production loss. In this situation, there may be a limit to the amount of the net capital gain component that you exclude from label **U** and show at question **18**.

If your statement of distribution or advice shows your share of franked distributions from trusts separately, write this amount at label **C**, together with any share of franking credits referrable to those franked distributions. Also show the franking credits at label **Q** under **Share of credits from income and tax offsets** in Part F.

Where you're a partner in a partnership, record the franked distributions on your statement of distribution from the partnership at label **O**, not label **C**.

For more information, see Guide to capital gains tax 2025.

Exception for primary producers

You may still be eligible for income averaging even where the trust reports a loss. While beneficiaries of fixed trusts that report a loss continue to be eligible for income averaging, beneficiaries of discretionary trusts are required to meet some additional requirements.

Completing your claim for income averaging

If you're an eligible beneficiary and you show nothing at label **L** so far, write **0** (zero) at label **L**.

Part C

Can you claim any deduction in relation to either:

- a distribution from a partnership
- a share of net income from a trust?

If you answer **No**, go to Part D. Otherwise, read on.

Remember, you can't claim a deduction for:

- amounts already claimed by the partnership or trust
- expenses you incur in deriving exempt income or non-assessable non-exempt income (for example, expenses incur in deriving distributions on which family trust distribution tax or trustee beneficiary non-disclosure tax is paid).

If you're the beneficiary of a discretionary trust you can't claim a deduction for expenses you incur in relation to your share of any net income of the trust under the general deduction provisions. This is because when you incur the expense, you aren't entitled to any income of the trust.

If you make a prepayment of $1,000 or more for something to be done (in whole or in part) in a future income year, the rules relating to prepayments may affect the amount you can deduct at labels **X** and **Y**.

For more information on prepayments, see Deductions for prepaid expenses 2025.

If you incur debt deductions, the thin capitalisation rules may affect the amount you can deduct at labels **X** and **Y**. For example, debt deductions such as interest and borrowing costs, in deriving assessable income from a trust or partnership, of more than $2,000,000 (alone or combined with those of your associate entities) for 2024–25. For more information, see Thin capitalisation.

Primary production deductions

Follow the steps if you're claiming deductions for primary production.

Step 1

If you're a partner in a partnership that incurs eligible expenditure on landcare operations, water facilities, fencing assets or fodder storage assets, the partnership can't claim the expenditure. You allocate costs the partnership incurs to each partner who can then claim the deduction.

Write your share of the total of any such expenditure that relates to primary production income or loss from partnerships that you can deduct this year at question **13** – label **I** in your supplementary tax return.

If a trustee incurs eligible expenditure on landcare operations, water facilities, fencing assets or fodder storage assets, only the trustee, not a beneficiary of the trust, can claim deductions for that expenditure.

For more information on deductions for expenditure on landcare operations, water facilities, fencing assets and fodder storage assets, see Depreciating assets guide 2025.

Step 2

Write at question **13** – label **X** the total of any other deductions (including non-commercial business losses deferred from a prior income year) you can claim in relation to your share of either:

- primary production income or loss from a partnership
- primary production income of a trust.

If you're a partner in a partnership and you can claim a deduction in relation to your share of eligible expenditure the partnership incurs on:

- horticultural plants
- grapevines
- electricity connections
- phone lines.

Include any such deduction that relates to primary production income or loss from a partnership at label **X**.

For information on deductions for expenditure on horticultural plants, grapevines, electricity connections and phone lines, see Depreciating assets guide 2025.

Include a non-commercial business loss deferred from a prior year business activity only if it relates to one of your current year

partnership business activities which is the same as, or similar to, the prior year business activity which generated the loss. See, Example.

The deferred non-commercial business loss deduction you can claim in 2024–25 may be reduced if you earn net exempt income in 2024–25. For more information, see How to offset your losses.

If you become bankrupt (or receive a relief from debt) the deferred losses will no longer be available. The loss can't be deducted in 2024–25 or a future income year.

For more information on how exempt income and bankruptcy affect deferred non-commercial business losses, contact us.

Step 3

From the list below, print the code in the **Type** box at label **X** that describes business losses from a prior income year that you're claiming.

- Print **D** if the entire amount at label **X** is a deferred non-commercial business loss from a prior income year.
- Print **P** if only part of the amount at label **X** is a deferred non-commercial business loss from a prior income year.

Leave the **Type** box blank if the amount at label **X** doesn't include any deferred non-commercial business losses from a prior income year.

Non-primary production deductions

Follow the steps to complete the non-primary production deductions.

Step 1

If a partnership incurs eligible expenditure on landcare operations, the partnership can't claim the expenditure. Costs the partnership incurs are allocated to each partner who can then claim the deduction. Write your share of the total of any such expenditure that relates to non-primary production income or loss from partnerships that you can deduct in 2024–25 at question **13** – label **J** in your supplementary tax return.

If a trustee incurs eligible expenditure on landcare operations, only the trustee, not a beneficiary of the trust, can claim deductions for that expenditure. For more information on deductions for expenditure on landcare operations, see Guide to depreciating assets 2025.

Step 2

Write at question **13** – label **Y** the total of other deductions (including non-commercial business losses deferred from a prior income year) you can claim in relation to your share of both:

- non-primary production income or loss from a partnership
- non-primary production income of a trust, including deductions relating to franked distributions from trusts.

If you're a partner in a partnership and you can claim a deduction in relation to your share of eligible expenditure the partnership incurs on electricity connections. Include any such deduction that relates to non-primary production income or loss from partnerships at question **13** – label **Y**. For information on deductions for expenditure on electricity connections, see Guide to depreciating assets 2025.

Include non-commercial business losses deferred from a prior income year only if they relate to a partnership activity which is the same as, or similar to, your 2024–25 partnership activity. See, Example.

The deferred non-commercial business loss deduction you can claim in 2024–25 may be reduced if you earned net exempt income in 2024–25. For more information, see How to offset your losses.

If you become bankrupt (or receive a relief from debt) the deferred losses will no longer be available. The loss can't be deducted in 2024–25 or a future income year.

For more information on how exempt income and bankruptcy affect deferred non-commercial business losses, contact us.

Step 3

From the list below, print the code in the **TYPE** box at label **Y** that describes business losses from a prior income year that you're claiming at label **Y**.

- Print **D** if the entire amount at label **Y** is a deferred non-commercial business loss from a prior income year.
- Print **P** if only part of the amount at label **Y** is a deferred non-commercial business loss from a prior income year.

Leave the **Type** box blank, if the amount at label **Y** doesn't include any deferred non-commercial business losses from a prior income year.

Example: non-commercial business losses

In 2023–24, Lisa deferred total non-commercial business losses of $6,000 from her share of partnership business activities made up of both:

- $5,000 from a furniture restoration business
- $1,000 from a computer consultancy business.

The partnership doesn't carry on the computer consultancy business in 2024–25. Lisa can't include her $1,000 loss from the computer consultancy business at label **Y**. This amount doesn't relate to a business activity which is the same as, or similar to, her current income year partnership business activity.

In 2024–25, Lisa's partnership distribution from the furniture restoration business was $2,000. Lisa includes the $2,000 at label **O**, $5,000 as a deferred loss relating to the furniture restoration business at label **Y** and prints **D** in the **TYPE** box. Therefore, her net distribution from this partnership business activity is a loss of $3,000.

Lisa must also show her $5,000 loss from the furniture restoration business against Deferred non-commercial business loss from a prior income year at **P9** in the **Business and professional items schedule**. She must also show the net distribution of the $3,000 loss from the furniture restoration business against **Net loss** at **P9**.

Lisa should keep a record of her $1,000 deferred loss from the computer consultancy business, as she may be able to claim it in a later year if that business starts again or she starts a similar business.

Part D

Complete the following steps to work out your net amount from primary production and non-primary production.

Step 1: Net primary production amount

Add the income amounts or loss amounts at labels **N** and **L,** and subtract the amounts at labels **I** and **X**. Write the answer at question **13**

Net primary production amount in your supplementary tax return. Don't show cents.

If your answer is a loss, print **L** in the **Loss** box at **Net primary production amount**.

If you have a total net loss from a partnership business activity, complete **P3** and **P9** in the *Business and professional items schedule 2025*, in addition to question **13** in your supplementary tax return.

Step 2: Net non-primary production amount

Add the income amounts or loss amounts at labels **O** and **U**. Then add any amount at label **C** and subtract the amounts at labels **J** and **Y**. Write the answer at question **13 Net non-primary production amount**.

If your answer is a loss, print **L** in the **Loss** box at **Net non-primary production amount**.

If you have a total net loss from a partnership business activity, complete **P3** and **P9** in the *Business and professional items schedule 2025,* in addition to question **13** in your supplementary tax return.

Professional income

If the partnership or trust income you receive, or are entitled to, includes income from activities as a special professional (for example an author or sportsperson), you must also write the amount of this taxable professional income at question **24** – label **Z**. You won't pay tax twice on this income. For more information, see question 24 Other income 2025.

Part E

Do either of the following apply:

- your distribution or share of net income includes a share of net small business income
- you have a farm management repayment or other amount you receive as a partner or beneficiary in a small business entity?

If you answer **No**, go to Part F. Otherwise, read on.

You may be entitled to the small business income tax offset

Complete this question to work out:

- your partnership share of net small business income less deductions attributable to that share
- your trust share of net small business income less deductions attributable to that share.

You don’t include amounts you show at this question in your income. We only use the amounts for the purpose of working out your small business income tax offset.

Your statement of distribution or advice from the partnership or trustee should include details of your ‘Share of net small business income’ from each partnership or trust that is a small business entity.

If a partnership makes an overall loss, you're not entitled to a tax offset in relation to that share of net small business income. You're entitled to the tax offset only in respect of your share of net small business income from either:

- a small business entity partnership in which you're a partner, where the business income is derived by that partnership from carrying on its own business activities
- a small business entity trust in which you're a beneficiary, where the business income is derived by that trust from carrying on its own business activities.

You must reduce your share of net small business income and other partner or beneficiary income amounts by any deductions you're entitled to, to the extent they are attributable to that share of income or other income amounts.

We explain the deductions you can claim against your share of net small business income at Part C. Include any deductions for farm management deposits you make as a partner or beneficiary.

Your deductions from **Part C**, *plus* your deductible farm management deposits from question **17** – label **D** can't be greater than your share of net small business income from that partnership or trust.

At this question also include any:

- farm management repayments you include in your income in 2024–25 as a partner or beneficiary
- other business income that you include in your 2024–25 income only because you're a partner or beneficiary, for example, a

recoupment or reimbursement of a deduction that you previously claim as a partner or beneficiary.

Don't include interest on your farm management deposits at this question.

Any deductions that are attributable to a farm management repayment, or other business income, can't be greater than the amount to which the deduction relates.

Don't reduce your share of net small business income or other income amounts by any of the following deductions:

- tax-related expenses
- gifts or contributions
- personal super contributions.

Completing this question

To work out your partnership or trust share of net small business income less deductions attributable to that share, use either:

- Worksheet 1 we provide as step-by-step instructions
- Small business income tax offset calculator.

Partnership share of net small business income less deductions attributable to that share

If you're a partner in a partnership the statement of distribution or advice should also include details of any business loss activities.

- If the partnership makes an overall loss, treat your share of net small business income from that partnership as zero.
- If the partnership carries on more than one business activity and one or more activities made a loss, the non-commercial business loss rules apply to that loss activity.
- If overall the partnership makes a profit but your share of the partnership's net small business income is reduced (but not to zero or below) by a loss, you may be required to adjust your share of the partnership's net small business income.

For more information on the non-commercial loss rules, see Business and professional items schedule instructions 2025 for **P9 Business loss activity details**.

Complete Worksheet 1.

Step 1 Add up all your 'share of net small business income' amounts that relate to partnership distributions you show at question **13** and at question **20** and write this at **worksheet 1** – row **a**.

Step 2 If both of the following apply, write your share of that loss at row **b**:

- your distribution from a partnership includes a share of a business loss that isn't deductible in 2024–25 due to the non-commercial loss rules
- your share of that loss reduces a '**share of net small business income**' amount you include at row **a** (but not to zero or below).

Step 3 Add up rows **a** and **b** and write the result at row **c**.

Step 4 Write any farm management repayments from question **17** – labels **N** or **R** that relate to your partnership share at row **d**.

Step 5 Write any other business income amounts you include in your income because you're a partner at row **e**.

Step 6 Add up rows **c**, **d** and **e** and write the result at row **f**.

Step 7 Write any deductible farm management deposits from question **17** – label **D** that are attributable to your partnership share of net small business income at row **g**.

Step 8 Write any deductions you claim at question **13** – labels **I** or **J** that are attributable to your partnership share at row **h**.

Step 9 Write any deductions you claim at question **13** – labels **X** or **Y** that are attributable to your partnership share at row **i**.

Step 10 Write any deductions that relate to your farm management repayments or other partner business amounts at row **j**.

Step 11 Add together rows **g**, **h**, **i** and **j** then write the total at row **k**.

Step 12 Subtract row **k** from row **f** and write the answer at row **l**. If the answer is a loss, write zero.

Write the amount at row **l** at question **13 Partnership share of net small business income less deductions attributable to that share** – label **D**.

Worksheet 1

Row	Calculation	Amount
a	Partnership share of net small business income	$
b	Your share of a non-commercial business loss that reduces your share of net small business income (but not below zero)	$
c	Add up rows **a** and **b**.	$
d	Farm management repayments you show at question **17** – labels **N** or **R**	$
e	Other business income because you're a partner	$
f	Add up rows **c**, **d** and **e**	$
g	Farm management deposits at question **17** – label **D**	$
h	Deductions you claim at question **13** – labels **I** or **J**	$
i	Deductions you claim at question **13** – labels **X** or **Y**	$
j	Deductions that relate to your farm management repayment or other partner business income	$
k	Add up rows **g**, **h**, **i** and **j**	$
l	Subtract row **k** from row **f** If the result is a loss, write zero This is your partnership share of net small business income less deductions attributable to that share	$

Trust share of net small business income less deductions attributable to that share

If the trust makes an overall loss, treat your share of net small business income from that trust as zero.

If you're a beneficiary who is a minor (under 18 years old) and you're not an excepted person, you're not entitled to this offset. Write **0** (zero) at question **13 Trust share of net small business income less deductions attributable to that share** – label **E**.

If you're the beneficiary of a discretionary trust you wouldn't normally be able to claim a deduction for expenses you incur in relation to your share of any net income of the trust under the general deduction provisions. This is because at the time you incur the expense, you wouldn't be entitled to any income of the trust.

Complete Worksheet 2.

Step 1 Add up all your 'share of net small business income' amounts that relate to trust distributions you show at question **13** and at question **20** and write this at **worksheet 2** – row **a**.

Step 2 Write any farm management repayments from question **17** – labels **N** or **R** that relate to your trust share at row **b**.

Step 3 Write any other business income amounts you include in your income because you're a beneficiary at row **c**.

Step 4 Add together rows **a**, **b** and **c** and write the result at row **d**.

Step 5 Write any deductible farm management deposits you show at question **17** –label **D** that are attributable to your trust share of net small business income at row **e**.

Step 6 Write any deductions you claim at question **13** – labels **X** or **Y** that are attributable to your trust share at row **f**.

Step 7 Write any deductions that relate to your farm management repayments or other beneficiary business amounts at row **g**.

Step 8 Add together rows **e**, **f** and **g** and write the result at row **h**.

Step 9 Subtract row **h** from row **d** and write the result at row **i**. If the result is a loss, write zero.

Write the amount at row **i** at question **13 Trust share of net small business income less deductions attributable to that share** – label **E**.

Worksheet 2

Row	Calculation	Amount
a	Trust share of net small business income from trusts	$
b	Farm management repayments at question **17** – labels **N** or **R**	$
c	Other business income because you're a beneficiary	$
d	Add rows **a**, **b** and **c**	$
e	Farm management deposits at question **17** – label **D**	$
f	Deductions you claim at question **13** – labels **X** or **Y**	$
g	Deductions that relate to your farm management repayment or other beneficiary business income	$
h	Add up rows **e**, **f** and **g**	$
i	Subtract row **h** from row **d** If the result is a loss write zero This is your trust share of net small business income less deductions attributable to that share	$

Part F

Follow the guide to complete Part F.

Share of credits from income and tax offsets

If the partnership or trust income you show at question **13** – labels **N**, **L**, **O**, **U** or **C** includes or is attributable to:

- income from which an amount of tax is withheld because an ABN isn't quoted, then write your share of the credit at question **13** – label **P** (show cents)
- interest, dividends and unit trust distributions from which TFN amounts are withheld, then write the total of your share of credits for TFN amounts withheld at question **13** – label **R** (show cents)
- payments from a closely held trust from which TFN amounts are withheld, then write the total of your credits for those amounts withheld at question **13** – label **M** (show cents)
- national rental affordability scheme (NRAS) rent, then write your share of the NRAS tax offset at question **13** – label **B** (show cents)
- other credits for tax paid by a trustee on trust income, then write the total of your share of credits for tax paid by a trustee at question **13** – label **S** (show cents). However, if you're the principal beneficiary of a special disability trust, don't include your share of credits for tax paid by the trustee here. Include your share of credits for tax paid by the trustee at question T9
- income that you either
  - receive when you're an Australian resident from which an amount of tax is withheld because of the imposition of non-resident withholding tax or managed investment trust withholding tax
  - derive as a foreign resident from which an amount of tax is withheld because of the operation of the foreign resident withholding rules, then write the total amount of these credits for amounts withheld at question **13** – label **A** (show cents)

    If you have tax withheld from both types of income then add the credits for amounts withheld together and write the total amount at question **13** – label **A**.

Franking credits

Write the amount of your share of any allowable franking credits which you're entitled to claim as a franking tax offset through a partnership or trust at question **13** – label **Q**. Show cents.

You can only claim a share of a franking credit that relates to the share of a franked dividend paid to a partnership or trust which you indirectly include in any of:

- the amount of partnership income or loss you show at question **13** – label **O**
- the amount of trust income you show at question **13** – label **U**
- the franked distribution you show at question **13** – label **C**.

Therefore, you can't claim a franking credit for a dividend paid to the partnership or trust which is exempt income or non-assessable non-exempt income (for example, a distribution on which family trust distribution tax or trustee beneficiary non-disclosure tax is paid).

You can't claim a share of a franking credit through a trust in any of the following circumstances:

- the trust has an overall loss for tax purposes for 2024–25
- you didn't show an amount of franked distributions from trusts at question **13** – label **C**
- the amount of income from the trust you show at question **13** – label **U** isn't attributable to the franked dividend which has generated the franking credit.

In addition, to claim a franking credit in respect of a particular dividend both you and the partnership or trustee must be qualified persons in relation to that dividend, see Qualified person.

Qualified person

There are rules, known as franking credit trading rules, designed to prevent the use of franking credits by persons who only briefly own their shares or who don't effectively own their shares. Under these rules, the 'holding period rule' and the 'related payments rule', you must satisfy certain criteria before you're considered to be a qualified person.

If you derive dividends indirectly through a partnership or trust (except a widely held trust) you need to determine both of the following:

- what component of the trust net income or partnership distribution is attributable to a particular dividend
- then whether you satisfy the holding period rule and the related payments rule in relation to that dividend.

The trustee or the partnership itself must also have satisfied these rules.

The **holding period rule** applies to shares bought on or after 1 July 1997. It applies to you if you (or the partnership or trust) sell shares within 45 days of buying them. It also applies to you if you (or the partnership or trust) enter into a risk reduction arrangement, such as a derivative transaction, within that time. The holding period is 90 days for certain preference shares.

The **related payments rule** applies to arrangements entered into after 7:30 pm (Australian Eastern Standard Time) on 13 May 1997. It applies to you (or the partnership or trust) if you're under an obligation to make a related payment for a dividend and you didn't hold your shares 'at risk' during a specified qualifying period.

Special rules apply if you're the beneficiary of a trust and the trustee makes a family trust election.

If you're a beneficiary in a widely held trust, you're treated as holding an interest in all the shares or interests held by the trust. You're only required to satisfy the 45-day rule in relation to your interest in the trust as a whole, rather than in relation to each share in which you have an interest under the trust. The trustee should be able to advise if a particular trust qualifies as a widely held trust.

If you fail to satisfy the holding period rule, and the related payments rule don't apply to you, you may still be entitled to a franking tax offset if you qualify for the small shareholder exemption. The small shareholder exemption applies where you don't exceed the franking tax offset ceiling of $5,000 on all your franking tax offset entitlements in a given income year, whether you receive it directly or indirectly through a partnership or trust.

If any of these measures are likely to affect you, see You and your shares 2025.

Checks before moving to the next question

Check that you:

- complete Parts **A**, **B**, **C**, **D**, **E** and **F**, as necessary
- attach your **Schedule of additional information – question 13** to your supplementary tax return, if you need to send us one
- have a record of each partnership distribution or share of net income from a trust with your other records – you need the following information

- name and TFN of the partnership or trust
- amount and source of each partnership distribution or share of net income from a trust
- amount of any taxable professional income
- amount and type of deductions claimed
- amount and type of any share of credits.

Where to go next

- Go to question 14 Personal services income 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to Income in your supplementary tax return 2025.

QC 104257

14 Personal services income 2025

Complete question 14 in the supplementary tax return to declare personal services income (PSI).

Last updated 27 May 2025

Things you need to know

Declare at this question personal services income (PSI), it's income that is mainly a reward for an individual's personal efforts or skills.

There are certain types of income that aren't PSI. For example, for supplying or selling goods, such as, from retailing, wholesaling or manufacturing.

There are special rules, 'the PSI rules' for the tax treatment of PSI sole traders earn, including contractors and consultants. You'll be subject to the PSI rules if you aren't conducting a personal services business.

If you earn PSI as a sole trader and you're subject to the PSI rules, you won't be able to claim certain deductions. For example, rent, mortgage interest, rates or land tax for your home, or payments to your spouse (or other associate) for support work such as secretarial duties.

Before you can complete this question, read Business and professional items schedule instructions 2025. If this applies to you, you should lodge your tax return using myTax or a registered tax agent. If you're unable to use myTax or a registered tax agent, contact us and we will send you a paper tax return that includes the *Business and professional items schedule 2025*.

The following guides and tools will help you to understand PSI:

- Personal services income tool – will help you decide whether you're conducting a personal services business and how to get more information about PSI issues.
- Taxation Ruling TR 2022/3 *Income tax: personal services income and personal services businesses*
- Taxation Ruling TR 2003/6 *Income tax: attribution of personal services income*
- Taxation Ruling TR 2003/10 *Income tax: deductions that relate to personal services income*.

If you don't receive income for personal services you provide as a sole trader, go to question 15 Net income or loss from business 2025.

What you need to answer this question

You'll need:

- Business and professional items schedule instructions 2025 to help you complete your *Business and professional items schedule 2025*
- Individual PAYG payment summary schedule and instructions to help you complete your *Individual payment summary schedule*.

Completing your supplementary tax return

To complete this question, review and answer the following.

Part A

You need to read and complete the *Business and professional items schedule 2025* and *Individual PAYG payment summary schedule*.

Follow the steps.

Step 1

Complete the *Business and professional items schedule 2025,* see Business and professional items schedule instructions 2025.

Step 2

If you receive PSI from which tax is withheld, complete the *Individual PAYG payment summary schedule*. For help completing the schedule, see Individual PAYG payment summary schedule instructions.

Attach your *Individual payment summary schedule* to your tax return.

Print **X** in the **Yes** box at **Taxpayer's declaration** – question **2**.

Step 3

Did you write an amount at **P1** – label **A** in your *Business and professional items schedule 2025*?

- **No** – go to Where to go next.
- **Yes** – continue to Part B.

Part B

If you wrote your net PSI at **P1** – label **A** in Part B of your *Business and professional items schedule 2025,* follow the steps.

Step 1

Transfer your net PSI or loss you show at **P1** – label **A** in the *Business and professional items schedule 2025* to question **14** – label **A** in your supplementary tax return. Don't show cents.

Step 2

If you make a loss, print **L** in the **LOSS** box at label **A**.

Step 3

If you make a loss from one or more business activities, complete **P3 Number of business activities** and **P9 Business loss activity details** in the *Business and professional items schedule 2025*.

If you carry on a business as a special professional (for example an author or active sportsperson), you must **also** write the amount of income you receive from these business activities at question 24 Other income 2025 – label **Z**. You won't pay tax twice on this income.

Part C

If you have tax withheld from your PSI, follow the steps.

Step 1

Did you include an amount at **P1** – labels **M**, **N** or **O** in the *Business and professional items schedule 2025*?

- **No** – Go to Checks before moving to the next question.
- **Yes** – Read on.

Step 2

Do you have amounts of tax withheld under a pay as you go (PAYG) voluntary agreement?

- **No** – Go to Step 3.
- **Yes** – Read on.

Add up all the amounts on your *Individual PAYG payment summary schedule* at the **Tax withheld** boxes with a **V** in the **TYPE** box. These amounts must relate to the payments you show at **P1** – label **M** in the *Business and professional items schedule 2025*.

Write this amount at question **14** – label **G** in your supplementary tax return. Don't show cents.

Step 3

Are amounts of tax withheld because an ABN isn't quoted?

- **No** – Go to Step 4.
- **Yes** – Read on.

Add up all the amounts on your *Individual PAYG payment summary schedule* at the **Tax withheld** boxes with an **N** in the **TYPE** box. These amounts must relate to the payments you show at **P1 Personal services income (PSI)** – label **N** in the *Business and professional items schedule 2025*.

Write this amount at question **14** – label **H** in your supplementary tax return. Don't show cents.

Step 4

Are amounts of tax withheld because you receive PSI from either:

- working under a labour hire arrangement
- a specified payment?

If you answer:

- **No** – Go to Checks before moving to the next question.
- **Yes** – Read on.

Add up all the amounts on your *Individual PAYG payment summary schedule* at the **Tax withheld** boxes with an **S** in the **TYPE** box. These amounts must relate to the payments you show at **P1 Personal services income (PSI)** – label **O** in the *Business and professional items schedule 2025*.

Write this amount at question **14** – label **J** in your supplementary tax return. Don't show cents.

Checks before moving to the next question

Check that you:

- complete the *Business and professional items schedule 2025*
- transferred the amount from **P1** – label **A** in the *Business and professional items schedule 2025* to question **14** – label **A** in your supplementary tax return. If this amount is a loss, print **L** in the **LOSS** box at label **A**.

If you receive PSI from which tax is withheld, also check you:

- complete your *Individual PAYG payment summary schedule* and attach it to your tax return
- written amounts at question **14** – labels **G**, **H** and **J**, if required.

Where to go next

- Go to question 15 Net income or loss from business 2025.

- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 13 Partnerships and trusts 2025.

QC 104259

15 Net income or loss from business 2025

Complete question 15 in the supplementary tax return for income you derive or losses you incur from any business.

Last updated 27 May 2025

Things you need to know

Declare at this question income you derive or losses you incur from a business. You'll need complete a *Business and professional items schedule 2025* before you can complete this question.

You should lodge your tax return using myTax or a registered tax agent. If you're unable to use myTax or a registered tax agent, contact us and we will send you a paper tax return that includes the *Business and professional items schedule 2025*.

This question covers:

- income from being a sole trader
- income or a loss from a primary production business
- income under a pay as you go (PAYG) voluntary agreement
- income from which an amount is withheld because you don't quote your ABN
- income you derive as a foreign resident from which an amount is withheld because it's subject to foreign resident withholding
- income of an independent contractor working under a labour hire arrangement

- income from the following **specified payments**
  - payment for tutorial services provided under the Indigenous Student Success Programme (formerly known as the Indigenous Tutorial Assistance Scheme) of the Department of the Prime Minister and Cabinet
  - payment for translation and interpretation services provided for the Translating and Interpreting Service National of the Department of Home Affairs
  - income as a performing artist in a promotional activity
- any other business income
- the small business income tax offset (see, Part D).

A **specified payment** is a payment specified in tax law for PAYG withholding purposes.

If you don't derive income or incur a loss from any business in 2024–25, go to question 16 Deferred non-commercial business losses 2025.

Don't include at this question

Don't show at this question:

- Personal services income (PSI) you include at question 14 Personal services income 2025.
- Foreign source business income you include at question 20 Foreign source income and foreign assets or property 2025.
- credit for amounts withheld from business because of the foreign resident capital gains withholding rules – show the amounts of credit at question 18 Capital gains 2025.

What you need to answer this question

You'll need to complete a *Business and professional items schedule 2025* to lodge with your tax return, see Business and professional items schedule instructions 2025.

You must show your net income or loss (that is, gross business income less business deductions) at question **15**:

- label **B** for primary production

- label **C** for non-primary production.

You carry on a primary production business if you carry on a business undertaking:

- plant or animal cultivation (or both)
- fishing or pearling (or both)
- tree farming or felling (or both).

These publications may help you to correctly complete question **15**:

- Taxation Ruling TR 92/18 *Income tax: bad debts*
- Taxation Ruling TR 93/30 *Income tax: deductions for home office expenses*
- Taxation Ruling TR 96/7 *Income tax: record keeping – section 262A – general principles*
- Taxation Ruling TR 96/11 *Income tax: record keeping – taxi industry – guidelines for recording taxi takings*
- Taxation Ruling TR 97/11 *Income tax: am I carrying on a business of primary production?*
- Taxation Ruling TR 97/23 *Income tax: deductions for repairs*
- Taxation Ruling TR 2018/2 *Income tax: record keeping and access – electronic records*
- Information for primary producers 2025
- Guide to depreciating assets 2025
- Small business CGT concessions.

Completing your supplementary tax return

To complete this question, answer the following parts and steps.

Part A

To complete this question, follow the steps, you'll also need to read and complete the:

- *Business and professional items schedule 2025*

- *Individual PAYG payment summary schedule*.

Step 1

Complete the *Business and professional items schedule,* see Business and professional items schedule instructions 2025.

Step 2

If you receive business income from which tax was withheld, complete the *Individual PAYG payment summary schedule*.

For help completing the schedule, see Individual PAYG payment summary schedule and instructions.

Part B

Do you derive income or incur a loss from a primary production business?

- **No** – Go to Part C.
- **Yes** – Follow the steps.

Step 1

Transfer your net income or loss from a primary production business you show at **P8 Business income and expenses** – label **Y** in the *Business and professional items schedule 2025* to question **15** – label **B** in your supplementary tax return. Don't show cents.

Step 2

If you make a loss, print **L** in the **LOSS** box at question **15** – label **B**.

Step 3

If you make a loss from one or more business activities, make sure you complete **P3 Number of business activities** and **P9 Business loss activity details** in the *Business and professional items schedule 2025*.

Part C

Do you derive income or incur a loss from any non-primary production business?

- **No** – Go to Part D.

- **Yes** – Follow the steps below.

Step 1

Transfer your net income or loss from a non-primary production business you show at **P8 Business income and expenses** – label **Z** in the *Business and professional items schedule 2025* to question **15** – label **C** in your supplementary tax return. Don't show cents.

Step 2

If you make a loss, print **L** in the **LOSS** box at question **15** – label **C**.

Step 3

If you make a loss from one or more business activities, make sure you complete **P3 Number of business activities** and **P9 Business loss activity details** in the *Business and professional items schedule 2025*.

If you carry on a business as a special professional (for example, an artist or sportsperson) you must also write the amount of income from these business activities at question 24 Other income 2025 – label **Z**. You won't pay tax twice on this income.

Part D

Are you a small business entity?

- **No** – Go to Part E.
- **Yes** – Follow the steps.

You may be entitled to the small business income tax offset of up to $1,000. We'll use the information you provide here to work out the amount of your tax offset. Don’t include the amount you show at this question in your income.

To answer Part **D**, you need to work out your net small business income, which is your assessable income from carrying on your business less your deductions to the extent that they're attributable to that assessable income.

Don't show at Part **D**:

- PSI you include at question 14 Personal services income 2025
- salary, wages or director's fees

- dividend income of directors
- dividend and interest income, unless you derive it from carrying on the business activity and you show an amount at question **15 Net income or loss from business 2025**
- partnership share of net small business income less deductions attributable to that share you show at question **13** – label **D**
- trust share of net small business income less deductions attributable to that share you show at question **13** – label **E**.

If you have net small business income from **P8 Business income and expenses** in the *Business and professional items schedule 2025* you complete, go to step 1.

If your only income or loss from carrying on a business as a small business entity is at question **20** – label **M**.

Use our Small business income tax offset calculator to work out your net small business income.

Step 1

If you have net small business income from **P8 Business income and expenses** in the *Business and professional items schedule 2025,* show it at question **15 Net small business income** – label **A** in your supplementary tax return, then go to Part E.

Step 2

If your only income or loss from carrying on a business as a small business entity is at question **20** – label **M**, show the result of the Small business income tax offset calculator at question **15 Net small business income** – label **A** in your supplementary tax return.

Part E

In your calculation of total business income in the *Business and professional items schedule 2025*, did you include income from which an amount of tax was withheld at **Income** in **P8 Business income and expenses** – labels **B**, **C**, **D**, **E**, **F**, **N** or **O**?

- **No** – Go to Checks before moving to the next question.
- **Yes** – Follow the steps.

Step 1

Do you have any amounts of tax withheld under a PAYG voluntary agreement?

- **No** – Go to Step 2.
- **Yes** – Read on.

Add up all the amounts on your *Individual PAYG payment summary schedule* at the **Tax withheld** boxes with a **V** in the **Type** box.

These amounts must correspond with the **Gross payments** you show at **P8 Business income and expenses** – labels **E** and **F** in the *Business and professional items schedule 2025*. Show this total at question **15 Net small business income** – label **D** in your supplementary tax return. Don't show cents.

Step 2

Do you have any amounts of tax withheld because you don't quote your ABN?

- **No** – Go to Step 3.
- **Yes** – Read on.

Add up all the amounts on your *Individual PAYG payment summary schedule* at the **Tax withheld** boxes with a **N** in the **Type** box.

These amounts must correspond with the **Gross payments** you show at **P8 Business income and expenses** – labels **C** and **D** in the *Business and professional items schedule 2025*. Show this total at question **15 Net small business income** – label **W** in your supplementary tax return. Show cents.

Step 3

Are you a foreign resident and have any amounts of tax withheld because your income is subject to foreign resident withholding?

- **No** – Go to Step 4.
- **Yes** – Read on.

Add up all the amounts on your *Individual PAYG payment summary schedule* at the **Tax withheld** boxes with an **F** in the **Type** box.

These amounts must correspond with the **Gross payments** you show at **P8 Business income and expenses** – label **B** in the *Business and professional items schedule 2025*. Show this amount at question **15 Net small business income** – label **E** in your supplementary tax return. Show cents.

Don't include credits for amounts withheld as a result of the foreign resident capital gains withholding rules at question **15 Net small business income** – label **E**.

Step 4

Do you have any amounts of tax withheld because you either receive income:

- working under a labour hire arrangement
- from a specified payment?

If you answer:

- **No** – Go to Checks before moving to the next question.
- **Yes** – Read on.

Add up all the amounts on your *Individual PAYG payment summary schedule* at the **Tax withheld** boxes with an **S** in the **Type** box.

These amounts must correspond with the **Gross payments** you show at **P8 Business income and expenses** – labels **N** and **O** in the *Business and professional items schedule 2025*. Show this amount at question **15 Net small business income** – label **F** in your supplementary tax return. Don't show cents.

Checks before moving to the next question

Check that you:

- complete the *Business and professional items schedule 2025*, and read Business and professional items schedule instructions 2025
- transfer the amounts from **P8 Business income and expenses** – labels **Y** and **Z** in the *Business and professional items schedule 2025* to question **15 Net small business income** – labels **B** and **C** respectively in your supplementary tax return (if these amounts are losses check that you have printed **L** in the **Loss** boxes at labels **B** and **C**)

- complete question **15** – label **A** if you're a small business entity.

If you receive business income from which tax is withheld, check you:

- complete the *Individual PAYG payment summary schedule* and attach it to your tax return
- write the amounts at question **15** – labels **D**, **W**, **E** and **F**, if required
- **don't** include the foreign resident capital gains withholding credit at question **15** – label **E**.

Where to go next

- Go to question 16 Deferred non-commercial business losses 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 14 Personal services income 2025.

QC 104260

16 Deferred non-commercial business losses 2025

Complete question 16 to report deferred non-commercial business losses.

Published 27 May 2025

Things you need to know

Declare at this question deferred non-commercial business losses. It doesn't apply to activities that don't constitute carrying on a business – for example, the receipt of passive investment income.

There are special rules relating to the deferral of non-commercial business losses. These rules apply to both Australian and foreign business activities.

You'll need to lodge a *Business and professional items schedule 2025* before you can complete this question. You should lodge tax return using myTax or a registered tax agent. If you're unable to use myTax or a registered tax agent, contact us and we'll send you a paper tax return that includes the *Business and professional items schedule 2025*.

Safe harbour

You can consider using safe harbour if you make a loss from a business activity because your business is affected by either:

- bushfire or flood
- government-imposed lockdown, business closure or restrictions due to COVID-19.

You qualify for the safe harbour if you satisfy all of criteria of the Practical compliance guideline PCG 2022/1 *Non-commercial business losses – Commissioner's discretion regarding flood, bushfire or COVID-19,* as a sole trader, or as a partner in a partnership.

If the safe harbour applies, you can offset the loss (but not a past year's deferred loss) against other income in the relevant income year. You also won't need to seek a private ruling on whether the Commissioner would exercise his discretion to allow that loss to be offset.

You can use a 2024–25 loss from a business activity you conduct either as a sole trader or in a partnership to calculate your 2024–25 taxable income only where either:

- an exception applies
- you meet both
  - the income requirement
  - one of the 4 tests is satisfied
- you qualify and choose to apply for safe harbour
- the Commissioner has exercised his discretion or ruled that it will be exercised to allow you to claim the loss.

For more information on the safe harbour, exceptions, the income requirement, the 4 tests and the Commissioner's discretion, see

P9 Business loss activity details in Business and professional items schedule instructions 2025.

Keep records of each of the net losses deferred for your separate business activities.

If you're unable to claim your loss this year because of these rules, you must defer the loss. This deferred loss isn't disallowed. Instead, you take it into account the next income year in which you carry on this business activity or a similar business activity.

The deferred loss is a deduction when calculating any net profit or loss from the activity in that future income year.

Whether any overall loss can be taken into account in your calculation of taxable income for that future income year will depend on the application of the non-commercial business loss deferral rules in that income year.

You must defer your loss by completing question **16** in your supplementary tax return. You will need to split the amount into primary production and non-primary production deferred losses. You can't use the amount at question **16** to reduce your 2024–25 taxable income.

Go to question 17 Net farm management deposits or repayments, if you don't conduct a business activity either:

- as a partner in a partnership that results in a loss or results in a loss after deducting your expenses
- as a sole trader that results in a loss.

What you need to answer this question

You'll need to lodge a *Business and professional items schedule 2025* with your tax return, see Business and professional items schedule instructions 2025.

You'll also need:

- Partnership documents that have information on the special rules that determine whether a business activity you carry on in partnership with others satisfies any one of the 4 tests.
- Any written advice from us to you that the Commissioner will exercise his discretion to allow you to deduct your loss from your

business activity carried on either as a sole trader or in partnership with others.

Completing your supplementary tax return

To complete this question, review and answer the following parts.

Part A

To complete this question, you need to read and complete the *Business and professional items schedule 2025*. For instructions, see Business and professional items schedule instructions 2025.

Part B

This part applies to you only if you carry on a business in partnership with others. Don't complete this part if you're in a partnership that doesn't carry on a business.

Are you a partner in a partnership?

- **No** – Go to Part C.
- **Yes** – Read on.

Did you make a net loss from a business activity carried on in partnership with others in 2024–25?

- **No** – Go to Part C.
- **Yes** – Read on.

If you make a net loss from more than one business activity in partnership with others, you need to answer the questions and follow the steps on this page for each of your business activities.

Does your net loss from that business activity come within an exception described at **P9 Business loss activity details** in *Business and professional items schedule 2025*?

- **No** – Read on.
- **Yes** – Go to Part C.

Do you meet the income requirement and your net loss from that business activity satisfies one of the 4 tests?

- **No** – Read on.

- **Yes** – Go to Part C.

For information on the income requirement and the 4 tests, see **P9 Business income and expenses** in Business and professional items schedule instructions 2025.

Do you qualify for and choose to apply the safe harbour in relation to your net loss?

- **No** – Read on.
- **Yes** – Go to Part C.

For information on the safe harbour, see **P9 Business income and expenses** in Business and professional items schedule instructions 2025.

Do you have a decision from us in writing advising that the Commissioner will exercise his discretion to allow you to claim a net loss from that business activity for the year?

- **No** – Follow the steps below.
- **Yes** – Go to Part C.

Step 1

Write the total of your net losses to be deferred from business activities you carry on in partnership with others at question **16** – label **F** in your supplementary tax return.

Step 2

Check that you include the amount of your deferred non-commercial business losses in working out your net distribution at questions **13** and **20** in your supplementary tax return. Otherwise, you will overstate your taxable income.

Step 3

Make sure you complete **P3** and **P9** in the *Business and professional items schedule 2025*.

Part C

Did you make a net loss from a business activity as a sole trader in 2024–25?

- **No** – Go to Part D.
- **Yes** – Read on.

If you make a net loss from more than one business activity as a sole trader, you need to answer the questions and follow the steps below for each of your business activities.

Did your net loss from that business activity come within an exception described at **P9** in *Business and professional items schedule 2025*?

- **No** – Read on.
- **Yes** – Go to Part D.

Did you meet the income requirement and your net loss from that business activity satisfies one of the 4 tests?

- **No** – Read on.
- **Yes** – Go to Part D.

For information on the income requirement and the 4 tests, see **P9 Business income and expenses** in Business and professional items schedule instructions 2025.

Did you qualify for, and choose to apply, the safe harbour in relation to your net loss?

- **No** – Read on.
- **Yes** – Go to Part D.

For information on the safe harbour, see **P9 Business income and expenses** in Business and professional items schedule instructions 2025.

Have we advised you in writing that the Commissioner will exercise his discretion to allow you to claim a net loss from that business activity for the year?

- **No** – Follow the steps below.
- **Yes** – Go to Part D.

Step 1

Write the total of your net losses to be deferred from business activities as a sole trader at question **16** – label **G**.

Step 2

Check you include the amount of your deferred non-commercial business losses in working out your net income or loss at questions **14**, **15** and **20** in your supplementary tax return. Otherwise, you'll overstate your taxable income.

Step 3

Make sure you complete **P3 Number of business activities** and **P9 Business loss activity details** in the *Business and professional items schedule 2025*.

Part D

Follow the steps to complete Part **D**.

Step 1

Add up any amounts of primary production deferred losses at question **16** – labels **F** and **G**. Write the total of primary production deferred losses at question **16** – label **I**.

Step 2

Add up any amounts of non-primary production deferred losses at question **16** – labels **F** and **G**. Write the total of non-primary production deferred losses at question **16** – label **J**.

Step 3

You must record the 3 highest loss-making business activities (if applicable) at **P9 Business loss activity details** in the *Business and professional items schedule 2025*, whether or not:

- the net loss from your business activity came within an exception
- you met the income requirement and the net loss from your business activity satisfies one of the 4 tests
- the Commissioner advises that he will exercise his discretion to allow the net loss from your business activity to be claimed this year
- you carry on the business activity in a partnership or as a sole trader.

Where to go next

- Go to question 17 Net farm management deposits or repayments 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 15 Net income or loss from business 2025.

QC 104261

17 Net farm management deposits or repayments 2025

Complete question 17 to report net farm management deposits and withdrawals. Primary producers only.

Last updated 27 May 2025

Things you need to know

This question is for primary producers only.

Declare at this question net farm management deposits (FMDs)and withdrawals. If you receive a distribution of income as a beneficiary of a trust that carries on a business of primary production, you're both:

- considered to be carrying on a business of primary production
- eligible for the FMD concessions.

If you're the beneficiary of a primary production trust **that makes a loss**, you're considered to be in a business of primary production, and therefore eligible for the FMD tax concessions, if either:

- the trustee of the primary production trust nominates you as a chosen beneficiary
- you're the beneficiary of a fixed trust.

A FMD provider is an institution that accepts FMDs.

An FMD owner is a person who makes an eligible farm management deposit.

FMD owners can access their deposits early when certain natural disasters or drought affect them, without losing their concessional tax treatment.

For more information, see:

- Deductible deposits
- Non-deductible deposits
- Deposits repaid within 12 months
- Natural disaster assistance and 'early repayment'
- Drought and 'early repayment'
- Repayments are assessable income
- Deceased estate.

For more information, see Farm management deposits.

Deductible deposits

Your FMDs for 2024–25 are deductible if you satisfy all of the following:

- your taxable non-primary production income for 2024–25 is $100,000 or less
- you're carrying on a primary production business at the time of making the deposit
- if you stop carrying on a primary production business during the year, you recommence carrying on such a business within 120 days
- your individual deposits aren't less than $1,000 and total deposits not more than $800,000
- your individual deposits don't cause your total FMDs to exceed the $800,000 account limit
- your individual deposits don't exceed the amount of your taxable primary production income for 2024–25
- you hold the deposits for at least 12 months or qualify for the early repayment exceptions.

Non-deductible deposits

You can't claim a deduction for deposits made in 2024–25 if during the year the FMD owner either:

- becomes bankrupt or ceases to carry on a primary production business (including a business that is carried on by a partnership or by a trust) for 120 days or more
- dies.

If this applies to you or you're the executor of a deceased estate:

- you must repay all deposits
- include as assessable income any deposits you repay that were previously deducted
- don't claim a deduction for deposits you either
  - make after the business ceases
  - make by the now deceased FMD owner in 2024–25.

Deposits repaid within 12 months

You can't claim a deduction for that part of a deposit repaid within 12 months.

If you withdrew a deposit early (and don't qualify for either of the early repayment exceptions) and make the deposit in this income year, don't include this amount as a deposit or repayment. If, however, you claim the deduction in a prior income year, request an amendment of your assessment for that income year.

If you withdrew part of your deposit early, you may continue to claim a deduction for that part of the deposit that is held for a full 12 months or more (provided that your total deposits remain $1,000 or more).

Natural disaster assistance and 'early repayment'

You can access your deposits early, without losing your concessional tax treatment, if you're eligible to claim the natural disaster assistance exception. That is, if all of the following apply:

- you make the original deposit before a natural disaster declaration
- your primary production business receives Natural Disaster Relief and Recovery Arrangements (NDRRA), Category C assistance

- you withdraw the FMD deposit early, after you receive the NDRRA, Category C assistance.

To confirm that your business is eligible, or receives this type of assistance, review your disaster assistance documents. For more information on this natural disaster exception, see Farm management deposits.

If you claim the exception, you can't claim a deduction for deposits you made in 2024–25 after the early repayment.

Drought and 'early repayment'

You can access your deposits early, without losing your concessional tax treatment, if you're eligible to claim the drought exception. You're able to claim this exemption if all of the following apply:

- for 6 consecutive months an area of your primary production property is affected by rainfall that is within the lowest 5% of recorded rainfall for that area of your property
- publicly available rainfall records held by the Bureau of Meteorology confirm this low rainfall for the period of 6 consecutive months preceding the month in which the repayment is made
- for that 6-month period
  - you hold the deposit
  - you aren't involved solely in primary production industries like fishing, pearling, tree felling or tree transporting.

You can determine if your primary production property meets the rainfall requirements at a particular time by using the FMD Rainfall Analyser on the Department of Agriculture, Fisheries and Forestry website.

To obtain your concessional tax treatment, you need to ensure that any repayment of your deposit occurs before the end of the month immediately following that 6-month drought period.

If you claim the exception, you can't claim a deduction for deposits you make in 2024–25 after the early repayment.

Repayments are assessable income

You must include repayments of previously deducted deposits as assessable income in the income year they are repaid.

Don't include as assessable income repayments of deposits that you didn't claim as a deduction.

When you receive a repayment, you're considered to have been repaid any non-deductible amounts first.

Reinvesting, extending, or transferring deposits

You don't need to include as assessable income:

- reinvested deposits, or extensions of the term of deposits with the same provider
- merged deposits provided certain conditions are met
- transfers of the same deposit amount from one FMD provider to another; examples of this include
  - electronic transfers from a liquidated authorised deposit-taking institution (ADI) to a new ADI
  - transfers by the Australian Prudential Regulatory Authority under the Financial Claims Scheme.

Deceased estate

If you're looking after the estate of someone who dies in 2024–25, you can't claim a deduction for any deposits they make in 2024–25. Any farm management deposits held at the time of death are assessable income in 2024–25 to the extent they were previously claimed as a deduction.

Deductions in earlier years aren't affected even when the person dies within 12 months of making the deposit.

For more information, see Farm management deposits or contact us.

Do you make farm management deposits (FMDs) or have repayments during 2024–25?

- **No** – Go to question 18 Capital gains 2025.
- **Yes** – Read on.

What you need to answer this question

You'll need the following:

- your account statement from your FMD provider
- proof that you receive Natural Disaster Relief and Recovery Arrangements (NDRRA), Category C assistance for primary producers
- Information for primary producers 2025
- Farm management deposits.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Add up deductible deposits you make in 2024–25.

Write the total at question **17**– label **D** in your supplementary tax return.

Step 2

Add up early repayments you withdraw during 2024–25 that qualify for the natural disaster or drought exception. Write the total at label **N**.

If you make the deposit in 2024–25, ensure you include this deposit at question **17** – label **D**.

If you withdraw in 2024–25 a deposit you made in 2023–24 for which you claim the deduction, you don't need to lodge an amendment to your 2023–24 tax return.

Step 3

Add up the FMDs that you hold for 12 months or more and that are repaid during 2024–25. Write the total at label **R**.

Step 4

Add up the amounts you show at labels **N** and **R**, and *subtract* the amount you show at label **D**.

Write the answer at label **E**. If the amount is negative (your deductible deposits exceed your total repayments), print **L** in the Loss box at

label **E**.

Small business income tax offset

If any part of the amount you show at label **E** relates to a business you carry on as a sole trader and you're a small business entity, you may be entitled to the small business income tax offset. See instructions at **P8 Business income and expenses – Small business income tax offset** in the *Business and professional items schedule 2025*.

If any part of the amount you show at labels **N** or **R** relates to a partnership or trust that is a small business entity, you may be entitled to the small business income tax offset. See question 13 Partnerships and trusts 2025.

We use these amounts to work out your entitlement to the small business income tax offset.

Where to go next

- Go to question 18 Capital gains 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 16 Deferred non-commercial business losses 2025.

QC 104262

18 Capital gains 2025

Complete question 18 to report capital gains tax events, capital gains (income) and capital losses.

Last updated 27 May 2025

Things you need to know

Declare at this question CGT events that happen in 2024–25.

If foreign tax is paid on a foreign gain of a capital nature, read Part **H** in question 20 Foreign source income and foreign assets or property 2025 to work out the amount of foreign income tax offset you can claim. Show the foreign income tax offset at question **20** – label **O**.

Don't show at this question a 'listed investment company capital gain amount' from a dividend paid by a listed investment company. For more information, see question D8 Dividend deductions 2025.

You may have made a capital gain, or capital loss, if a CGT event happens in 2024–25. For most CGT events, you make a:

- **capital gain** if the amount of money and property you receive, or are entitled to receive, from the CGT event is more than the cost base of your asset; you may then have to pay tax on your capital gain
- **capital loss** if the amount of money and property you receive, or are entitled to receive, from the CGT event is less than the reduced cost base of your asset.

If you're a Norfolk Island resident, CGT may apply to assets acquired after 23 October 2015. CGT remains payable on Australian mainland assets.

If you're entitled to one or more distributions from trusts, you must complete and attach a Trust distributions and your CGT position to your tax return.

Keeping records from the start

You must keep records of every act, transaction, event or circumstance that may be relevant to working out your capital gain or capital loss. This is regardless of whether the CGT event has already happened, is about to happen or may happen in the future.

You must keep these records for 5 years from the time when no CGT event or further CGT event can happen. The records for these CGT events may be relevant to working out whether you make a capital gain or capital loss from the CGT event.

Types of CGT events

There are a wide range of CGT events that can happen. The most common CGT event happens when you sell a CGT asset, such as:

- real estate, including your family home, holiday home, investment property, hobby farm or vacant block of land
- shares
- units in a unit trust or managed investment fund
- forestry managed investment scheme interests (as a subsequent participant)
- crypto assets
- collectables – for example, jewellery
- personal use assets.

Other CGT events that happen include events, such as:

- an asset you own is lost or destroyed
- you receive an amount for entering into an agreement – for example, you agreed not to work in a particular industry for a set period of time
- you enter into a conservation covenant over land that you own
- you receive a non-assessable payment from a trust or company
- when you stop being an Australian resident for tax purposes.

You may also make a capital gain if both:

- you're a beneficiary of, or have money invested in, a trust (including a managed investment fund)
- the trust makes a capital gain.

If you're not sure whether a CGT event happens in 2024–25, see Appendix 1: Summary of CGT events in Guide to capital gains tax 2025.

Types of capital gains and capital losses

You can't deduct a capital loss from your **assessable income**, but in most cases, it can be used to reduce a capital gain you make in 2024–25. If you make no capital gain in 2024–25, defer the capital loss until you make a capital gain, see Step 3.

Generally, you disregard a capital gain or capital loss on:

- disposal of your main residence, if you're an Australian resident for tax purposes when you sign the sale contract
- assets you acquired before 20 September 1985
- cars, motorcycles and similar vehicles
- personal use assets such as boats, furniture, electrical goods and household items you use or keep mainly for personal use or enjoyment which you acquire for $10,000 or less – if you acquire it for
  - more than $10,000, you disregard only capital losses
  - $10,000 or less, you disregard both capital gains and capital losses
- collectables – for example, an antique or jewellery, which you acquire for $500 or less
- compensation you receive for personal injury
- the exchange of shares or units you own in a company or trust under a takeover, if certain conditions are met
- shares in a company, or interests in a trust, where there is a demerger and certain conditions are met
- disposal of shares in a pooled development fund
- shares in a qualifying early stage innovation company (ESIC) held for less than 10 years and, in the case of capital gains, the shares are also held for at least 12 months, see Tax incentives for early stage investors
- disposal of certain investments by
  - a venture capital limited partnership
  - an early stage venture capital limited partnership
  - an Australian venture capital fund of funds
- disposal of an asset to which the small business 15-year exemption applies
- transfer of an asset where the small business restructure roll-over is available (gains or losses are deferred until the asset is disposed of).

If you're a **foreign resident beneficiary of a trust**, and if 'managed-investment trust withholding tax' is payable on an amount that you receive from that trust (other than in the capacity of a trustee), don't include any part of that amount in your tax return.

Did a capital gains tax event happen in 2024–25?

- **No** – Print **X** in the **No** box at question **18** – label **G** if you don't have a capital gain or your capital gains and losses are deferred.
  Go to Step 4.
- **Yes** – Print **X** in the **Yes** box at question **18** – label **G** if you have a capital gain or a capital loss that isn't deferred.

Disposal of shares, stapled securities or rights

You may reduce the amount of your capital gain if you acquire shares, stapled securities or rights under an employee share scheme.

Share of income of a trust or managed fund

Managed funds (unit trusts) include:

- exchange traded funds (ETFs)
- property trusts
- share trusts
- equity trusts
- growth trusts
- imputation trusts
- balanced trusts.

Other trusts include:

- discretionary trusts
- family trusts
- hybrid trusts
- business trusts.

Distributions from trusts and managed funds can include
2 components that have CGT consequences:

- distributions of trust income where the trust's net income for tax purposes includes a net capital gain
- distributions of non-assessable amounts.

You need to know whether your distribution includes these 2 amounts. To find out, check the statement (distribution statement, year-end or annual statement) from the trust. The statement should also show which method the trust uses to calculate the capital gains in the trust's net capital gain. There are 3 methods of calculating capital gains:

- indexation
- discount
- 'other'.

You must use the same method as the trust to calculate your own net capital gain.

Trustees and fund managers may use different terms to describe the calculation methods they use, and they may refer to capital gains they calculate using the indexation and 'other' methods as 'non-discount gains'. If you're in doubt, check with your trust or fund manager.

Your distribution statement may include amounts of:

- NCMI (Non-concessional MIT income) capital gains
- Excluded from NCMI capital gains.

Include both these amounts in the calculation of the net capital gain at question **18** – label **A**.

Capital gain or capital loss on shares

You may make a capital gain or capital loss by selling or giving away your shares, including by selling them to the company under a share buy-back arrangement. Even if you don't pay for your shares, for example, you receive them under a demutualisation, you may make a capital gain or capital loss when you sell or give them away.

If you use dividends to acquire additional shares in a company (for example, through a dividend reinvestment plan) the additional shares are subject to CGT if you sell them or give them away.

There are other ways of making a capital gain or capital loss on shares, such as:

- If you hold shares in a company and during 2024–25, a liquidator or administrator declared the shares worthless, you may claim a capital loss equal to the reduced cost base of the shares (otherwise you may have to wait until the company is dissolved to claim the capital loss).
- If you receive a return of capital amount (a non-assessable payment) you may have to reduce the cost base and reduced cost base of your shares. If the amount of the non-assessable payment is more than the cost base of the shares, the difference is a capital gain.

Capital gain or capital loss on crypto assets

A CGT event occurs when you dispose of your crypto assets. You may make a capital gain or a capital loss if one of the following occurs:

- you sell, trade, gift, exchange or swap your crypto assets
- you use it to obtain goods or services
- you acquire crypto assets as an investment and dispose of it.

If your disposal of the crypto asset is part of a business you carry on, or part of a commercial transaction that you enter into with an intention of making a profit or gain, the profits you make on the disposal will generally be assessable as ordinary income and not as a capital gain.

Property you inherited

Capital gains tax applies when you dispose of a CGT asset that you inherit. However, if you inherit real estate, you may not have to pay CGT if you sell it within 2 years of the person's death. For example, if the property is the deceased person's main residence just before they die and they aren't:

- renting out any of the property
- using any of the property for business purposes
- a foreign resident.

If you inherit an Australian residential property from a deceased person who has been a **foreign resident for 6 years or less** at the time of their death, the main residence exemption that the deceased accrued for the dwelling is available to you as the beneficiary. The main residence

exemption means you may not pay CGT on any capital gain made after you sell or dispose of the property, depending on the use of the property by both you and the deceased.

If you inherit an Australian residential property from a deceased person who has been a **foreign resident for more than 6 years** at the time of their death, any main residence exemption that the deceased person may have accrued for that dwelling isn't available to you. This means you may have to pay CGT when you sell or dispose of the property.

If you inherit an Australian residential property and you have been a foreign resident for more than 6 years when you sell or dispose of the property, you can't claim the main residence exemption for your ownership period.

Your home may be subject to capital gains tax

Under the 'main residence exemption', you generally don't have to pay CGT on the disposal of your main residence if you're an Australian resident for tax purposes at the time of the disposal. However, you may have to pay tax on some of your capital gain if:

- the property isn't your main residence for the whole period you own it
- you use the property, or part of it, to produce assessable income (for example, you rent it out)
- the land area is greater than 2 hectares.

The creation, variation or termination of a granny flat arrangement from 1 July 2021 shouldn't affect the main residence exemption.

Asset transfer on marriage or relationship breakdown

If you transfer an asset to your spouse as a result of a marriage or relationship breakdown, in certain cases, there are no immediate CGT consequences. In these cases, there is automatic rollover (you can't choose whether or not it applies).

However, the person who receives the asset (the transferee spouse) will usually make a capital gain or capital loss when they dispose of the asset. If you're the transferee spouse and the rollover applies, you may need to get cost base information from your former spouse or their tax adviser.

Your **spouse** includes another person who:

- you're in a relationship with that is registered under a prescribed state or territory law
- although not legally married to you, live with you on a genuine domestic basis in a relationship as a couple.

Tax incentives for investments in affordable housing

Australian resident individuals who provide affordable rental housing to people earning low to moderate income are allowed an additional affordable housing capital gains discount of up to 10%. To qualify for this additional discount, you must provide qualifying affordable rental housing through a registered community housing provider:

- on or after 1 January 2018 for a period, or periods, totalling at least 3 years (1,095 days), which may be aggregate usage over different periods
- either directly, or through an interposed entity from a trust or managed investment trust - the interposed entity or trust may be a trust or partnership, other than a public unit trust or super fund.

The number of days you may provide affordable housing before 1 January 2018 won't be counted.

This additional capital gains discount is relevant for CGT events occurring on or after 30 December 2020 as this is the first date that you may be able to satisfy the 3-year period to qualify for the additional discount.

The overall effect of this additional affordable housing capital gains discount is that the total capital gains discount is now increased from a maximum of 50% to a maximum of 60% for some qualifying investors.

If you invested directly in affordable housing, you should receive an annual affordable housing certificate from your community housing provider showing the number of days your investment property is used to provide affordable housing. If you invested in affordable housing through a trust or managed investment trust, you may need to contact the trustee to get the number of affordable housing days in order to work out your additional affordable housing capital gains discount percentage.

Granny flat arrangements

From 1 July 2021 no CGT event arises to eligible individuals on certain granny flat arrangements if the arrangement satisfies the requirements of the provisions. A granny flat arrangement is a written agreement that gives an eligible person the right to occupy a property for life.

The CGT exemption will apply to the creation, variation or termination of a granny flat arrangement.

An arrangement is a granny flat arrangement if:

- the owner or owners of the property are individuals
- one or more eligible people have an eligible granny flat interest in the property
- the owners and the people with the granny flat interest enter into a written and binding granny flat arrangement (this arrangement must not be commercial in nature).

A granny flat interest is where an individual has a right to occupy a property for life under a granny flat arrangement. A granny flat interest can be held in any type of property, provided it's a dwelling. This includes the owner's main residence or a separate property. It isn't restricted to what is commonly referred to as a 'granny flat'. The interest may be in part or all of the property.

A granny flat arrangement can be entered into between the property owner or owners and any eligible party (meaning family or friends). At the time the eligible party enters into the arrangement they must either:

- be age pension age
- require assistance for day-to-day activities because of a disability and be likely to require assistance for at least 12 months after that time.

Foreign residents

Foreign residents who are individuals are subject to CGT on:

- direct interests in real estate located in Australia
- an interest in an entity where they and their associates hold 10% or more of the entity and the value of their interest is principally

attributable to Australian real estate

- an asset they use in carrying on a business through a permanent establishment in Australia
- an option or right to acquire one of the above.

If you're a foreign resident at the time you dispose of your property in Australia, you're not entitled to the CGT main residence exemption (regardless of the period the property is your main residence in Australia and the 6-year absence rule).

If you acquired the property at or after 7:30 pm (AEST) on 9 May 2017, you're entitled to the CGT main residence exemption if certain life events occur within a continuous period of 6 years of you becoming a foreign resident for tax purposes.

For more information, see Main residence exemption for foreign residents.

Foreign resident capital gains withholding (FRCGW)

Under the FRCGW rules, foreign residents that dispose of certain Australian assets may have an amount withheld from the sale proceeds they receive.

Similarly, Australian resident vendors could have amounts withheld from their sale proceeds if they either dispose of:

- Australian real property, without providing the purchaser with an ATO-issued clearance certificate
- an indirect Australian real property interest without providing the purchaser with a valid vendor declaration (resident).

If you have amounts withheld from you during the income year, you're entitled to claim a credit for those amounts paid to the Commissioner by the withholder.

For more information, see Foreign resident capital gains withholding.

Temporary residents

Temporary residents are subject to CGT in the same way as foreign residents.

For the definition of a temporary resident and details of the exemption, see **Tax-free income for temporary residents** in Amounts that you

don't pay tax on 2025.

There are special rules for shares and rights acquired under an employee share scheme.

What you need to answer this question

You'll need:

- Details of the amount of any unapplied net capital losses from earlier years (this is the amount at label **V** at the capital gains question in your last year's tax return).
- Documents showing the date you acquire any asset to which a CGT event happens, the date of the CGT event, and the date and amounts of any expenditure you incur that form part of the cost base and reduced cost base of the asset or are taken into account in working out your capital gain or capital loss.
- Year-end, annual or distribution statements from trusts with net capital gains from which you receive or are entitled to receive
  - distributions of income
  - distributions of non-assessable amounts.

You may also need one or more of the following publications to complete this question. They explain the 3 methods available to calculate a capital gain.

- Capital gains tax explains what a capital gain is, how it applies, what assets to include, the exceptions and exemptions.
- Guide to capital gains tax 2025 explains how CGT works and will help you to calculate your net capital gain or net capital loss. It covers CGT issues such as the sale of a rental property, vacant land, a holiday home, collectables (for example, jewellery), personal use assets (for example, a boat you use for recreation), and real estate, shares and units you inherit or get from the breakdown of your marriage or relationship.
- CGT concessions eligibility overview explains what concessions are available to small businesses.
- Personal investors guide to capital gains tax 2025 is shorter and simpler than *Guide to capital gains tax 2025,* it covers

- the sale, gift or other disposal of shares and units
- distribution of capital gains from managed funds
- non-assessable payments from companies and managed funds.

The *Personal investors guide to capital gains tax 2025* doesn't cover other CGT events, or the CGT consequences for bonus shares, shares acquired under an employee share scheme, bonus units, rights and options, and shares and units where a takeover or demerger has occurs, see Guide to capital gains tax 2025.

CGT worksheets

Use the worksheets and follow the steps to help you complete question **18**.

For most individuals, the Capital gain or capital loss worksheet 2025 is all you'll need to work out what to include at question **18**. Make copies of the worksheet if you need more than one. If you need help completing the Capital gain or capital loss worksheet, see Step 1 in Capital gains tax schedule and instructions 2025 (ignore the word 'entity').

How to work out your capital gain or capital loss explains how to calculate a capital gain or capital loss for each CGT event or asset using examples and the *Capital gain or capital loss worksheet 2025*.

If you have a number of the Capital gain or capital loss worksheets because several CGT events happened, you may wish to use the CGT summary worksheet for tax returns 2025 to help you calculate your net capital gain or net capital loss. Read Steps 2 and 3 in Capital gains tax schedule and instructions 2025 (ignoring the word 'entity') to find out how to complete the summary worksheet. Then complete question 18 in your supplementary tax return.

Step 1 Types of CGT assets and CGT events

Certain capital gains and capital losses (that is, those from collectables and personal use assets) are treated differently when calculating your net capital gain or net capital loss. For explanations of these assets, see Does capital gains tax apply to you? Disregard capital losses from personal use assets and don't take them into account when working out your net capital gain. You can only use

capital losses from collectables to reduce capital gains from collectables.

You need to separate the records of your CGT events into the following 3 categories:

- those relating to collectables (for example, jewellery)
- those relating to personal use assets (for example, a boat you use for recreation)
- other CGT assets or CGT events, including distributions of capital gains from managed funds.

Step 2 Exemptions, rollovers and the additional affordable housing discount

There are exemptions and rollovers that may allow you to reduce, defer or disregard your capital gain or capital loss. There is also an additional discount on capital gains for resident individuals who invest in affordable housing.

If you applied an exemption or rollover to disregard, defer a capital gain or capital loss or you qualified for and applied the additional affordable housing discount to reduce a capital gain, write **X** in the Yes box at question **18 Capital gains** – label **M** in your supplementary tax return. Write **X** in the No box if you didn't.

Write in the code box at label **M** the code from the following list that represents the CGT exemption, rollover or additional discount that produced the largest amount of capital gain or capital loss deferred or disregarded.

CGT exemption and rollover codes:

- A Small business active asset reduction
- B Small business retirement exemption
- C Small business rollover
- D Small business 15–year exemption
- E Foreign resident CGT exemption
- F Scrip for scrip rollover
- I Main residence exemption

- J Capital gains disregarded as a result of the sale of a pre-CGT asset
- K Disposal or creation of assets in a wholly-owned company
- L Replacement asset rollovers
- M Exchange of shares or units
- N Exchange of rights or options
- O Exchange of shares in one company for shares in another company
- P Exchange of units in a unit trust for shares in a company
- R Demerger rollover
- S Same asset rollovers
- T Small business restructure rollover
- U Early stage investor
- V Venture capital investment
- W Affordable housing discount
- X Other exemptions and rollovers.

Step 3 Calculating your current year capital gain or loss for each CGT asset or event

Calculate whether you have made a capital gain or capital loss for each CGT event that has happened during 2024–25. The Capital gain or capital loss worksheet 2025 can help you work this out. Don't include capital gains that are disregarded, deferred or reduced, or capital losses that are disregarded; see Exemptions and rollovers.

Include the relevant capital gains at this step if you're a small business entity and qualify for one or more of the following small business CGT concessions:

- 50% active asset reduction
- small business rollover
- small business retirement exemption.

Don't include capital gains to which the small business 15-year exemption applies, only include these in question **8** of the CGT schedule.

You apply the concessions to the amount of any relevant capital gains remaining after step 8.

In calculating your capital gain, you will use one of the following 3 methods for each asset:

- indexation method
- discount method
- 'other' method.

For a full explanation of these methods and how to use them to calculate your capital gain or capital loss for each CGT event, see How to work out your capital gain or capital loss.

For a CGT event that happens after 11:45 am AEST on 21 September 1999 to a CGT asset that you acquired at or before that time, you can choose to use either the indexation or the discount method to calculate your capital gain if you have owned the asset for at least 12 months. If you bought and sold your asset within 12 months, you must use the 'other' method to calculate your capital gain.

If you use the discount method, don't apply the discount percentage until you have applied current year capital losses and unapplied net capital losses from earlier years.

You also need to work out the amount of any capital gains that you're taken to have made as part of a distribution from a trust. You must use the same method the trustee used in calculating the amount of the capital gain. For more information, see Trust distributions and your CGT position.

Concessions that may apply

There are special rules if a trust's net capital gain was reduced by the CGT discount or by applying the small business 50% active asset reduction, or both. The trust should advise you if it is claiming either (or both) of these concessions as you will need to adjust the amount of the net capital gain to include in your total capital gains. As the beneficiary of the capital gain distribution, you do this by grossing up the net capital gain by the amount that relates to the discount applied, for example, if the trust's net capital gain was reduced by the CGT

discount (50%), you adjust the amount of the net capital gain by multiplying it by 2. You include this grossed up amount in your total capital gains.

For more information, see Trust distributions and your CGT position.

Step 4 Total current year capital gains

If you don't have any capital gains from collectables, add up all your capital gains from step 3 and write this amount at question **18** – label **H Total current year capital gains** in your supplementary tax return.

If you have a capital gain from collectables, deduct any capital losses from collectables (including unapplied net capital losses from earlier years from collectables). Don't deduct capital losses from other capital gains at this stage.

Any capital gain remaining is added to all your other capital gains from step 3. Write the total amount at question **18** – label **H** in your supplementary tax return.

If you received (or are entitled to receive) a distribution from a trust that includes a net capital gain, you also need to include this amount here in your total capital gains. Ensure that you gross up the net capital gain amount by the amount that relates to the CGT discount applied by the trust. Don't include this amount as a distribution from the trust at question **13 Partnerships and trusts** in your supplementary tax return.

If your capital gains from collectables were reduced to zero when you applied your losses from collectables, and you still have capital losses from collectables remaining, then make a note of this amount.

This capital loss can be carried forward to future years, see Step 11, and will be recorded at question **18** – label **V Net capital losses carried forward to later income years** in your supplementary tax return.

Step 5 Capital losses

If you have no current year capital losses or unapplied net capital losses from earlier years, go to Step 8. Otherwise, read on.

From your Capital gain or capital loss worksheet, add up all your capital losses for 2024–25 and make a note of this amount. Remember that you don't include capital losses:

- from personal use assets

- from collectables
- that are disregarded (for example, those from assets acquired before 20 September 1985), see Exemptions and rollovers.

If you have a current year capital loss, go to Step 6.

If you have only unapplied net capital losses from earlier years and no current year capital losses, go to Step 7.

Step 6 Applying current year capital losses

You must apply your current year capital losses from step 5 against (that is, deducted from) any capital gains you made during the year to determine your net capital gain or net capital loss.

Example 1: sale of shares and collectables

Kathleen sold some assets during the year and has the following capital gains and capital losses for 2024–25:

Capital gain on the sale of 1,000 shares for $6 each on 17 December 2024

Kathleen bought these shares on 17 November 2000 and each has a cost base of $3 (including incidental costs of acquisition and disposal).

Capital gain = $6,000 − $3,000 = $3,000

Kathleen calculates her capital gain using the discount method.

Capital gain on the sale of 130 shares for $8 each on 27 February 2025

Kathleen bought these shares on 10 October 2024 and each has a cost base of $4 (including incidental costs of acquisition and disposal). As the asset was bought and sold within 12 months, Kathleen must use the 'other' method to calculate her capital gain from these shares:

(130 × $8) − (130 × $4) = $520

Capital loss on the sale of jewellery for $1,000 on 1 April 2025

Kathleen bought this jewellery for $1,500 and sold it 6 months later for $1,000.

She calculates her capital loss as follows:

$1,000 – $1,500 = $500 capital loss

Kathleen takes the following steps to complete question **18** in her supplementary tax return.

Firstly, Kathleen writes her total current year capital gains of $3,520 ($3,000 + $520) from her shares at label H Total current year capital gains. This is the amount before deducting any capital losses or applying the CGT discount. If Kathleen had made a net capital gain on her collectables (her jewellery), she would also include it here.

Next, Kathleen notes her capital loss from collectables on her Capital gain or capital loss worksheet 2025 or on a separate piece of paper. Although she made a capital loss from collectables, she can't reduce her other capital gains by this amount. However, she can carry this amount over so that if she makes a capital gain from collectables in the future, she can deduct this capital loss from her capital gain on a later tax return. If Kathleen has no other capital losses from the current year or earlier income years, she will now write the amount of $500 at question **18** – label **V Net capital losses carried forward to later income years** in her supplementary tax return.

Kathleen still has to complete label A Net capital gain.

Example 2: capital loss on the sale of shares

Using the facts from example 111, we will also assume that Kathleen has the following to consider:

Capital loss on the sale of 600 shares for $3 each on 25 June 2025

Kathleen had bought these shares on 10 October 2024 and each has a reduced cost base of $4 (including incidental costs of acquisition and disposal).

Reduced cost base

- 600 × $4 = $2,400

Capital proceeds

- 600 × $3 = $1,800

Capital loss

- Reduced cost base – capital proceeds = capital loss
- $2,400 – $1,800 = $600

Kathleen now has a $600 loss she can use to deduct from her capital gains. From the earlier example, we know Kathleen has a $3,000 capital gain calculated using the discount method.

She has another capital gain of $520 that she calculated using the 'other' method. Kathleen chooses to deduct the first $520 of her capital loss from the capital gain calculated using the 'other' method and to deduct the remaining $80 from the capital gain calculated using the discount method. Working this way gives her the best result:

- 'other' method capital gain – $520
- subtract capital loss of $520
- equals $0 (zero)
- discount method capital gain of $3,000
- subtract capital loss of $80 ($600 – $520)
- totals $2,920.

Kathleen makes a note that she has capital gains of $2,920 calculated using the discount method.

When applying your current year capital losses, you can choose the method that gives you the best result to reduce your current year capital gains. While you will need to consider your own situation, for most people the order that usually gives the greatest benefit and the smallest net capital gain is to apply the capital losses against capital gains calculated using the:

- 'other' method
- indexation method
- discount method.

Apply your current year capital losses against your current year capital gains and make a note of any capital gains remaining. If you have current year capital losses that can be applied to 2024–25 they must be applied here. You can't choose to defer to a later year any amount that can be applied this year.

If your total capital losses for the year are more than your total capital gains, you will need to keep a record of the difference. This amount (your net capital loss) is carried over and used to reduce your future capital gains. There is no time limit on how long you can carry forward your net capital loss. If you have reduced your capital gains to zero, don't put anything at label A Net capital gain.

Step 7 Applying net capital losses from earlier years

If you don't have any unapplied net capital losses from earlier years, go to Step 8. Otherwise, read on.

You can further reduce your current year capital gains by your unapplied net capital losses from earlier years.

You must apply unapplied net capital losses from earlier years against capital gains in the order you made them. For example, use net capital losses from 1998–99 before you use any net capital losses from 1999–2000. You can then apply these capital losses against your capital gains in the manner that gives you the best result. Again, for most people the order that usually gives the greatest benefit and the smallest net capital gain is to apply the capital losses against capital gains calculated using the:

- 'other' method
- indexation method
- discount method.

Reduce your remaining current year capital gains by any unapplied net capital losses from earlier years and make a note of any capital gains remaining. If you have unapplied net capital losses from earlier years that can be applied to 2024–25, they must be applied here. You can't choose to defer to a later income year any amount that can be applied to 2024–25.

You need to keep a record of any unapplied net capital losses from earlier years. You can continue to carry forward these amounts and use them to reduce your future capital gains. There is no time limit on

how long you can carry forward your net capital losses. You record these at label V Net capital losses carried forward to later income years, see Step 11. If you have reduced your capital gains to zero, don't put anything at label A Net capital gain.

Example 3: unapplied net capital losses from earlier years

Let us also now assume that Kathleen has the following to consider:

Kathleen has unapplied net capital losses from earlier years of $400 that aren't from collectables or personal use assets.

In our example so far, Kathleen applied her current year capital loss and had $2,920 of capital gains calculated using the discount method remaining.

Taking this example further, Kathleen would now also deduct the unapplied net capital losses of $400 from earlier income years from her capital gain of $2,920 calculated using the discount method:

$2,920 − $400 = $2,520

This leaves $2,520 of capital gains calculated using the discount method.

Kathleen must use all current year capital losses and all the unapplied net capital losses from earlier years before applying the CGT discount of 50%. In this example, the amount at label V is still $500 because this is what she will carry forward as losses from collectables to future income years.

Step 8 Applying the CGT discount

You can now reduce any remaining current year capital gains calculated using the discount method by the discount percentage (50% for individuals plus any additional affordable housing capital gain discount for eligible investors).

You can't apply the discount to capital gains calculated using the indexation method or the 'other' method.

Example 4: total capital gains calculated using the discount method

From our earlier information, we know Kathleen had capital gains of $2,520 calculated using the discount method after applying relevant capital losses. She works out her total capital gains by multiplying her capital gain by the CGT discount of 50%:

$2,520 × 50% = $1,260

Step 9 Applying the small business CGT concessions

If you're a small business entity, you may qualify for one or more of the following small business CGT concessions:

50% active asset reduction

small business rollover

small business retirement exemption.

You can apply these concessions now to the amount of any relevant capital gains remaining after step 8. You may apply the concessions to capital gains calculated using any of the 3 methods. The small business 15-year exemption isn't applied at this step as the capital gain to which this exemption applies is excluded under step 3.

For more information, see Small business CGT concessions.

Step 10 Working out your net capital gain

The amount of your remaining capital gains becomes your net capital gain, which you write at question **18** – label **A Net capital gain** in your supplementary tax return.

It represents the amount you have written at label H Total current year capital gains reduced in accordance with:

- Step 6 Applying current year capital losses
- Step 7 Applying net capital losses from earlier years
- Step 8 Applying the CGT discount (including any additional affordable housing capital gain discount)
- Step 9 Applying the small business CGT concessions.

If you have capital losses that have reduced your capital gains to zero, don't put anything at label A Net capital gain. If you have any capital losses remaining after reducing your capital gains, you can carry these forward to future income years, see Step 11. Again, don't include losses from:

- assets you acquired before 20 September 1985
- personal use assets
- other losses that are disregarded.

Example 5: question 18 – label A Net capital gain

Because no other CGT concessions apply to Kathleen, she writes $1,260 at question **18** – label **A Net capital gain** in her supplementary tax return.

Step 11 Capital losses carried forward to later income years

Your net capital losses amount to be carried forward is the total of any:

- unapplied current year net capital loss from step 6
- unapplied net capital losses from earlier years from step 7
- capital losses from collectables to be applied in future income years from step 4.

You will need to keep a separate record of unapplied net capital losses from collectables because you can only use these to reduce capital gains from collectables in later income years. There is no time limit on how long you can carry forward the net capital losses.

Write this amount (if any) at question **18** – label **V** in your supplementary tax return. Remember to deduct these losses from any capital gains in future income years.

Example 6: question 18 – label V Net capital losses to be carried forward to later income years

Kathleen has deducted all her current year capital losses (except those from collectables) and her net capital losses from earlier years from her capital gains in the order that gave her the best

result. This means she will only have capital losses from collectables to carry forward to a later income year. Kathleen writes $500 at question **18** – label **V** in her supplementary tax return.

Kathleen must make a note of this capital loss for next year, as she did with the unapplied net capital losses from earlier years that she used this year. She must also note that her capital losses this year are capital losses from collectables, as she will only be able to deduct them against capital gains from collectables in a future year.

Foreign resident capital gains withholding payments

Foreign resident capital gains withholding applies to certain transactions entered into on or after 1 July 2016. If an amount has been withheld from you and paid to the ATO we will advise you of the receipt of the withholding amount. You can claim a credit for the withholding amount at question **18** – label **X** in your supplementary tax return.

Look-through earnout rights and amending your earlier tax assessment

If you received or provided a financial benefit under a look-through earnout right created on or after 24 April 2015, you may need to seek an amendment to your tax assessment for the year in which the relevant CGT event occurred. You may be able to request such amendment via the CGT Schedule (if you satisfy the relevant conditions) when you lodge your current year income tax return. Detailed instructions are provided in item **7 Earnouts arrangements** in Capital gains tax schedule and instructions 2025.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Read the capital gains tax publication that is relevant to your circumstances and work out the amount of your:

- capital gain or capital loss for each CGT event that happens
- capital gains from a trust (including a managed fund) for 2024–25.

Step 2

Add up all your capital gains for 2024–25 (except those that are disregarded) to work out your total current year capital gains.

Don't apply capital losses, any CGT discounts or the small business concessions (other than the 15-year exemption) to these capital gains.

Write this amount at question **18** – label **H**.

Step 3

Work out your net capital gain or net capital loss. This is the amount remaining after applying to your 2024–25 capital gains whichever of the following items are relevant to you (in the order in the following list):

- 2024–25 capital losses
- unapplied net capital losses from earlier years
- any CGT discounts (including any additional affordable housing discount)
- the small business 50% active asset reduction
- the small business retirement exemption or rollover.

If you have capital losses to apply, you'll find it to your advantage to apply them first to capital gains that don't qualify for the CGT discount.

If you're an individual (including a beneficiary of a trust) and you have a discount capital gain, then you may not be entitled to the maximum CGT discount percentage of 50%, if you're:

- a foreign or temporary resident
- an Australian resident with a period of non-residency after 8 May 2012.

For more information, see CGT discount for foreign residents.

If the total amount remaining is positive or zero, write it at question **18** – label **A**.

If you have a negative amount, don't put anything at label **A**. You have net capital losses to carry forward to later income years. Write the amount at question **18** – label **V**.

You can only use capital losses from collectables to reduce capital gains from collectables. You must disregard capital losses from personal use assets.

Step 4

Did you apply any exemption, rollover or additional discount?

- **No** – Go to Step 5.
- **Yes** – Print **X** in the **Yes** box at question **18** – label **M**.

Using the table, choose the exemption, rollover or additional discount code that best describes your circumstances. If more than one code applies, choose the code that applies to the largest amount of capital gain.

CGT exemption, roll-over or additional discount type codes

Code	CGT exemption or roll-over
A	Small business active asset reduction (Subdivision 152-C)
B	Small business retirement exemption (Subdivision 152-D)
C	Small business rollover (Subdivision 152-E)
D	Small business 15-year exemption (Subdivision 152-B)
E	Foreign resident CGT exemption (Division 855)
F	Scrip for scrip rollover (Subdivision 124-M)
I	Main residence exemption (Subdivision 118-B)

J	Capital gains disregarded as a result of the sale of a pre-CGT asset
K	Disposal or creation of assets in a wholly-owned company (Division 122)
L	Replacement asset rollovers (Division 124)
M	Exchange of shares or units (Subdivision 124-E)
N	Exchange of rights or options (Subdivision 124-F)
O	Exchange of shares in one company for shares in another company (Division 615)
P	Exchange of units in a unit trust for shares in a company (Division 615)
R	Demerger rollover (Subdivision 125-B)
S	Same asset rollovers (Division 126)
T	Small business restructure rollover (Subdivision 328-G)
U	Early stage investor (Subdivision 360-A)
V	Venture capital investment (Subdivision 118-F)
W	Affordable housing discount
X	Other exemptions and rollovers

Write the code in the **CODE** box at question **18** – label **M**.

Use code **T** if you either receive or dispose of an asset under the small business restructure rollover provisions.

Step 5

Do you have any unapplied net capital losses from earlier years?

- **No** – Go to Step 6.
- **Yes** – Read on.

You can use the net capital losses you have from earlier years, and that you haven't yet used, to reduce a capital gain in later years.

Write the amount of your net capital losses at question **18** – label **V** in your supplementary tax return.

Step 6

Are you claiming a credit for amounts withheld under the foreign resident capital gains withholding rules?

- **No** – Go to Where to go next
- **Yes** – Read on.

Write the amount of credit you're claiming at question **18** – label **X**.

Where to go next

- Go to question 19 Foreign entities 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 17 Net farm management deposits or repayments 2025.

QC 104263

19 Foreign entities 2025

Complete question 19 of the supplementary tax return to report your interests in foreign entities.

Published 27 May 2025

Things you need to know

Declare at this question your interests in foreign entities if you're an Australian resident for tax purposes who either:

- has a direct or an indirect interest in a controlled foreign company (CFC)

- at any time, directly or indirectly transfers or causes the transfer of property (including money) or services to a non-resident trust.

If you're entitled to one or more distributions from trusts, you must attach a completed Trust income schedule 2025 to your tax return.

If you're a temporary resident, don't show your foreign investment income at this question. See, **Tax-free income for temporary residents** in Amounts that you don't pay tax on 2025 for the definition of a temporary resident and details of the exemption.

What you need to answer this question

You'll need the Foreign income return form guide to answer this question.

Completing your supplementary tax return

To complete this question, answer:

- Part A
- Part B

Part A

The controlled foreign company (CFC) measures may apply to income and gains of foreign companies in which you have a direct or indirect controlling interest, or which you effectively control. For more information, see Foreign income return form guide – Chapter 1.

Completing this part

Do you have either a direct or indirect interest in a CFC?

- **No** – Print **X** in the **No** box at question **19** – label **I** in your supplementary tax return. Go to Part B.
- **Yes** – Read on.

Do you, alone or with associates either have:

- direct or indirect controlling interests totalling 10% or more in a foreign company
- effective control of a foreign company?

If you answer:

- **No** – Print **X** in the **No** box at question **19** – label **I** in your supplementary tax return. Go to Part B.
- **Yes** – Follow the steps.

Step 1

Print **X** in the **Yes** box at question **19** – label **I** in your supplementary tax return.

Step 2

Work out your attributed foreign income from any CFC.

Step 3

Write this amount at question **19** – label **K**. Don't show cents. Go to Part **B**.

Part B

Use the following information to complete Part **B**.

Completing this part

The transferor trust measures may apply if, at any time, you directly or indirectly transfer or cause the transfer of property (including money) or services to a non-resident trust. A trust is a non-resident trust if both of the following apply:

- no trustee of the trust estate is an Australian resident
- the trust estate's central management and control isn't in Australia, at any time during the income year.

For more information, see Foreign income return form guide – Chapter 2.

Do you, at any time, directly or indirectly transfer or cause the transfer of money, property or services to a non-resident trust?

- **No** – Print **X** in the **No** box at question **19** – label **W** in your supplementary tax return.
- **Yes** – Follow the steps.

Step 1

Print **X** in the **Yes** box at question **19** – label **W** in your supplementary tax return.

Step 2

Work out your attributed foreign income from transferor trusts.

Step 3

Write this amount at question **19** – label **B**. Don't show cents.

Step 4

You need to provide additional information:

- write on a separate sheet of paper
  - the heading **Schedule of additional information – question 19**
  - your name, address and TFN
  - the name of the non-resident trust and its trustee or trustees
  - the amount of any attributable income in relation to the trust
- print **X** in the **Yes** box at **Taxpayer's declaration** – question **2** in your tax return
- attach your schedule to your tax return.

Checks before moving to the next question

Check that you:

- write in your supplementary tax return your attributed foreign income from all CFCs
- write in your supplementary tax return your attributed foreign income from transferor trusts
- attach your *Schedule of additional information – question 19* to your supplementary tax return, if you need to send us one
- attach your *Trust income schedule 2025*, if you need one.

Where to go next

- Go to question 20 Foreign source income and foreign assets or property 2025.

- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 18 Capital gains 2025.

QC 104265

20 Foreign source income and foreign assets or property 2025

Complete question 20 of the supplementary tax return to report foreign source income and foreign assets or property.

Last updated 27 May 2025

Things you need to know

Declare at this question foreign source income and foreign assets or property. Foreign income you report at this question depend on your residency status. You may also need to complete this question to claim a foreign income tax offset.

Australian resident foreign income

If you're an Australian resident and receive income from overseas, you must show your assessable foreign income at this question. This is even if you pay tax on the income in the foreign country.

We may use foreign income you receive, that is exempt from Australian tax, to work out the amount of tax you have to pay on your other income.

If you receive a lump sum payment from a foreign superannuation (super) fund, contact us. Some of these payments are taxable and some are exempt from Australian tax.

You must show the following amounts at this question:

- an assessable dividend (or non-share dividend) from a New Zealand franking company and any attached Australian franking credits

- a supplementary dividend from a New Zealand franking company
- an assessable distribution from a trust or partnership (or share of a partnership loss) that includes Australian franking credits attached to a dividend (or non-share dividend) from a New Zealand franking company.

A dividend from a New Zealand franking company may also carry New Zealand imputation credits. An Australian resident **can't** claim any New Zealand imputation credits in an Australian tax return.

For more information, see Part E and Part G.

Temporary resident foreign income

If you're both an Australian resident, and a temporary resident, the only foreign income you'll need to show at this question is some income that you earn from foreign employment while a temporary resident. Read Part A to determine how much of this foreign employment income you should report.

For the definition of a temporary resident and details of the exemption, see **Tax-free income for temporary residents** in Amounts that you don't pay tax on 2025.

Foreign income tax offset

You need to complete this question to claim a foreign income tax offset (formerly foreign tax credits) for foreign tax you pay, see Part H.

Hybrid mismatch rules

You may need to consider whether the hybrid mismatch rules apply to you if you incur expenses which are deductible to you in deriving assessable foreign source income. To work out whether an otherwise deductible expense amount isn't allowable as a deduction, see Hybrid mismatch rules.

Reporting foreign income

You can 'receive income' even if it's held overseas for you.

Did you:

- receive income from foreign employment

- receive a foreign pension or annuity
- receive a lump sum payment from a foreign super fund
- transfer money from a foreign super fund to an Australian super fund
- receive any other foreign source income including interest, dividends, royalties, rent, business income or a share of income from a partnership or trust
- at any time during 2024–25, own or have an interest in assets outside Australia that had a total value of A$50,000 or more?

If you answer:

- **No** – Go to question 21 Rent 2025.

If you receive one or more distributions from trusts, you must also complete a Trust income schedule 2025. Attach the schedule you complete to your tax return. Print **X** in the **Yes** box at **Taxpayer's declaration** – question **2** in your tax return.

Business and professional items schedule

If you need to complete Part E, Step 4 you will also need to complete a *Business and professional items schedule 2025*, where:

- any part of the amount relates to a business activity that has made a loss
- you didn't carry on the business activity in Australia.

You should lodge your tax return using myTax or a registered tax agent. If you're unable to use myTax or a registered tax agent, contact us and we provide you a paper tax return that includes the *Business and professional items schedule 2025*.

Don't include at this question

Don't show at this question:

- A capital gain or capital loss from a foreign source – question 18 Capital gains 2025 deals with these amounts (the amount of any foreign income tax offset you calculate under Part H may include amounts of foreign tax you pay in respect of a capital gain from a foreign source).

- A lump sum payment of your foreign pension that relates to an earlier year – see **Lump sum payments in arrears** at question 24 Other income 2025 (if your arrears amount is exempt from tax see Part B).
- Payments you receive on termination of your employment in a foreign country that are dealt with by question 4 Employment termination payments 2025.
- Employee share scheme interests that you receive at a discount and that relate to your foreign employment – question 12 Employee share schemes 2025 deals with these amounts. The amount of any foreign income tax offset you calculate under Part H may include amounts of foreign tax you pay in respect of employee share scheme discounts.

You must convert all foreign income, deductions and foreign tax you pay to Australian dollars before you complete this question. Use the Foreign income conversion calculator.

What you need to answer this question

You'll need:

- Foreign tax assessments, *PAYG payment summary – foreign employment* or income statements.
- Distribution advices from companies, partnerships and trusts.
- Details of any expenses you incur in earning your foreign income.

You may also need to refer to:

- You and your shares 2025.
- Guide to foreign income tax offset rules 2025.
- Taxation determination TD 2012/8 *Income tax: what types of temporary absences from foreign service form part of a continuous period of foreign service under section 23AG of the Income Tax Assessment Act 1936?*

Completing your supplementary tax return

To complete this question, answer the following parts and steps.

PAYG payment summary – foreign employment or income statement

If you have foreign employment income on an income statement or a *PAYG payment summary – foreign employment*, read on. Otherwise, go to Part A.

Make sure you include in your tax return the income on your income statement or *PAYG payment summary – foreign employment*. Include these amounts at questions **1** and **3** in your tax return or question **24** in your supplementary tax return.

If you're an Australian Government agency employee (and not a member of a disciplined force), you pay tax on income you earn from delivering Australian official development assistance (ODA). Members of a disciplined force delivering ODA are still eligible for exemption.

Step 1

Add all the 'Gross payments' and 'lump sum A and lump sum E amounts' from each:

- *PAYG payment summary – foreign employment*
- income statement.

Step 2

Add all the deductible expenses you incur in earning your foreign employment income from step 1.

You would also include these deductible expenses at questions **D1** to **D5** in your tax return.

Step 3

Subtract the total deductible expenses from step 2 from the total gross payments from step 1 and write the answer at question **20** – label **U**. If the answer is negative, print **L** in the **Loss** box at question **20** – label **U**.

If you receive no other foreign income, go to Part H. Otherwise, read on.

Part A

Do you receive income from foreign employment that isn't on an income statement or *PAYG payment summary – foreign employment*?

- **No** – Go to Part B.
- **Yes** – Read on.

Foreign employment income is income you earn working overseas as an employee, such as salary, wages, commissions, bonuses or allowances.

Don't include foreign employment income that shows on a:

- *PAYG payment summary – foreign employment*
- income statement.

Step 1

Find out whether any of your foreign employment income is exempt from Australian tax because of:

- a privileges and immunities agreement or a law covering persons connected with international organisations
- specific exemptions for the pay and allowances of members of the Australian Defence Force, that relate to eligible duty in a specified area.

Your employer should be able to tell you whether either of these applies.

If all your foreign employment income is exempt for either of these reasons, don't include this income anywhere in your tax return. Go to Part B. Otherwise, go to step 2.

Step 2

Your foreign employment income that isn't exempt under step 1 might still be exempt from tax. Work through the rest of the steps to find out whether it's exempt from tax. Even if it's exempt, we still take it into account to work out the tax on your other assessable income.

Income from self-employment and contracts isn't generally exempt from tax. Include it in other foreign source income at Part E.

Step 3

Do you have foreign service income that is directly attributable:

- to your employer, which isn't an Australian Government agency, delivering Australian official development assistance

- to the activities of your employer, that they finance from a public fund
  - the Minister declares to be a developing country relief fund
  - established and maintained to provide monetary relief to people in a developed foreign country affected by a disaster (a public disaster relief fund)
- to the activities of your employer, which is a prescribed charitable or religious institution exempt from Australian income tax because your employer is
  - outside Australia
  - pursuing objectives outside Australia
- to your deployment outside Australia as a member of a disciplined force of an Australian Government authority?

If you answer:

- **No** – Go to Part A, Step 5.
- **Yes** – Read on.

For more information, see Tax exempt income from foreign employment.

Step 4

Do you pay, or are you liable to pay, foreign income tax on your foreign employment income?

- **Yes** – Go to, Part A, Step 7.
- **No** – See, Non-exemption conditions to work out your entitlement to an exemption from Australian tax on your foreign service income.
  - If you're entitled to an exemption based on these conditions, go to Part A, Step 7.
  - If you aren't entitled to an exemption, go to Part A, Step 5.

Step 5

Are you engaged in foreign service in connection with an Austrade approved project?

- **No** – Go to Part A, Step 8.

- **Yes** – Go to Part A, Step 6.

Step 6

Do either of the following apply to you:

- you pay, or are liable to pay, foreign income tax on your foreign employment income
- a tax treaty with Australia (or a law giving effect to a tax treaty) isn't the only reason why you don't have to pay tax in the country where you earn the income?

If you answer:

- **No** – Go to Part A, Step 8.
- **Yes** – Go to Part A, Step 7.

Step 7

Work out the period that you continuously engage in service in the foreign country.

If you're absent from the foreign country at any time during this period, see Tax exempt income from foreign employment to find out whether we consider you to have been continuously engaged in service in the foreign country. If you're working on a project approved by Austrade, see Working on an approved overseas project.

If your period of continuous service in a foreign country was 90 days or less, your foreign employment income isn't exempt from tax. If it was 91 days or more, your foreign employment income will generally be exempt from tax. If you're not sure, contact us.

If your foreign employment income isn't exempt from tax, go to Part A, Step 8. Otherwise, read on.

If any of your foreign employment income is exempt from tax, write the total that is exempt from tax less any expenses that aren't capital in nature that you incur in earning that exempt income at question **20** – label **N**. If the amount is a loss, write **0** (zero). You can't claim a foreign income tax offset on this income.

Foreign employment income paid in arrears

If your foreign employment income that is exempt from tax includes an amount paid in arrears and you're liable for the Medicare levy

surcharge (see, question M2), you'll need to provide additional information.

If you're lodging a paper tax return:

- write on a separate sheet of paper
  - the heading **Schedule of additional information – question 20 Part A Foreign employment income paid in arrears**
  - your name, address and TFN
  - the amount of the payment in arrears for each income year, and write the name of the country to which each amount relates
- attach your schedule of additional information to your tax return
- print **X** in the **Yes** box at **Taxpayer's declaration** in your tax return.

If you complete a schedule of additional information for any other question when completing your tax return, the schedules don't need to be on separate pages. Continue providing details on the same page or additional pages if required, ensuring that you provide the question number and description for each.

If you didn't need to lodge a tax return for the 2 most recent income years that the payment relates to, you'll need to follow the instructions under the heading **Lump sum payments in arrears** at question 24 Other income 2025.

If all your foreign employment income is exempt, go to Part B. Otherwise, read on.

Step 8

Add up all your gross foreign employment income amounts before any foreign tax is withheld. Don't include any exempt income or foreign employment income on an income statement or *PAYG payment summary – foreign employment*. Write the total at Worksheet 1 – row **a**.

Step 9

Add up all the deductible expenses that you incur in earning the foreign employment income from step 8, and write the total at Worksheet 1 – row **b**.

The types of expenses you may be able to deduct against your foreign employment income are explained at questions **D1** to **D5** in your tax return. Don't claim these expenses at questions **D1** to **D5**.

Debt deductions, such as interest and borrowing costs, aren't taken away for the purpose of this calculation. If you incur debt deductions in earning your foreign employment income, see question D15 Other deductions not claimable elsewhere in your tax return 2025.

Subtract the amount at row **b** from the amount at row **a**. Write the answer at Worksheet 1 – row **c**.

If row **b** is greater than row **a**, the amount at row **c** will be a loss.

Example: employed overseas

Lachlan is employed overseas from 15 October 2024 until 23 April 2025. He doesn't receive a *PAYG payment summary – foreign employment,* or an income statement showing foreign employment.

The foreign income isn't exempt income. Lachlan earns A$11,250 for his foreign employment after he pays A$3,750 in foreign tax. He also incurs deductible work-related expenses of A$500.

Lachlan adds the A$3,750 in foreign tax to the A$11,250 to work out his assessable foreign employment income which is A$15,000. He deducts his A$500 work-related expenses, and his net foreign employment income is A$14,500.

Lachlan writes $15,000 at **worksheet 1** – row **a**, $500 at row **b** and $14,500 at row **c**.

Step 10

Transfer the amount at **worksheet 1** – row **c** to question **20** – label **T**. If you make a loss, print **L** in the **Loss** box at question **20** – label **T**.

If you don't have any other foreign income, go to Part F. Otherwise read on.

Part B

Do you receive a foreign pension or annuity?

- **No** – Go to Part C.
- **Yes** – Read on, and if you need help contact us.

Most foreign pensions and annuities are taxable in Australia, even if tax is withheld from your payment by the country from which the payment came. Examples of foreign pensions and annuities that fall into this category are age and super pensions from Austria, Germany, Italy, the Netherlands and the United Kingdom.

You may claim a foreign income tax offset at this question if:

- the country from which your foreign pension or annuity came withhold tax from your payment
- you aren't entitled to seek a refund of the foreign tax from that country (see Part H)
- the foreign pension or annuity is also taxable in Australia.

A refund may result from the terms of an agreement between Australia and that country to prevent double taxation.

If you receive a foreign pension or annuity from a country with which Australia has a tax treaty, you may be able to make arrangements to not have tax withheld from future payments from that country.

Under our tax treaties foreign tax authorities tell us about foreign source income paid to (and the tax withheld from) Australian resident taxpayers. We use that information to check tax returns. Make sure you show your foreign income fully and correctly in your tax return.

However, if your foreign pension or annuity (including any lump sum payment of your foreign pension or annuity in arrears) isn't taxable in Australia, don't show it anywhere in your tax return. Go to Part C.

If your foreign pension or annuity is taxable, read on.

Step 1

If you're not going to claim a refund of foreign tax paid from the country which pays your foreign pension or annuity, you need to add the amount of foreign tax to the amount of foreign pension or annuity you receive.

Step 2

Sort your foreign pensions and annuities into those with an undeducted purchase price (UPP) and those without a UPP.

Add up all foreign pensions and annuities (including any amounts you calculate at step 1) without a UPP. Write the total amount at

Worksheet 1 – row **d**.

Add up all foreign pensions and annuities (including any amounts you calculate at step 1) with a UPP. Write the total amount at Worksheet 1 – row **g**.

Step 3

Add up your deductible expenses, excluding your debt deductions.

Debt deductions, such as interest and borrowing costs, aren't taken away for the purpose of this calculation. If you incur debt deductions in earning your foreign pension or annuity, see question D15.

If your foreign pension or annuity has a deductible amount of a UPP, you claim a deduction for this amount at question **D11**. Don't include the amount in your deductible expenses at this step.

Add up any deductible expenses (excluding any debt deductions) that you incur in gaining your foreign pensions or annuities without a UPP. Write the total at Worksheet 1 – row **e**.

Add up any deductible expenses (excluding any debt deductions) that you incur in gaining your foreign pensions or annuities with a UPP. Write the total at Worksheet 1 – row **h**.

Step 4

Subtract the amount at row **e** from the amount at row **d** in Worksheet 1 and write the answer at row **f**. If row **e** is greater than row **d**, the amount at row **f** will be a loss.

Subtract the amount at row **h** from the amount at row **g** in Worksheet 1 and write the answer at row **j**. If row **h** is greater than row **g**, the amount at row **j** will be a loss.

Step 5

Transfer the amount at **worksheet 1** – row **f** to question **20** – label **L**. If you made a loss, print **L** in the **Loss** box at question **20** – label **L**.

Transfer the amount at **worksheet 1** – row **j** to question **20** – label **D**. If you made a loss, print **L** in the **Loss** box at question **20** – label **D**. Don't include as a loss any amount by which the UPP exceeds the amount of your foreign pension or annuity (including the amount of foreign tax you add back to your foreign pension or annuity at Part B, Step 1).

If you don't receive any other foreign income, go to Part F. Otherwise, read on.

Part C

Do you receive any foreign rental income?

- **No** – Go to Part D.
- **Yes** – Read on.

Step 1

Make sure when calculating your total rental income to add back any foreign tax that is taken out. Write your total rental income at Worksheet 1 – row **k**.

Step 2

Add up all the deductible expenses that you incur in earning your foreign rental income, excluding any debt deductions. Write this amount at worksheet 1 – row **l**.

Debt deductions, such as interest and borrowing costs, aren't deductible for the purposes of this calculation unless they relate to income you earn through a permanent establishment in an overseas country. If you incur debt deductions in earning your foreign rental income and the deductions aren't attributable to an overseas permanent establishment, see question D15 Other deductions not claimable elsewhere in your tax return 2025.

Step 3

Subtract the amount at row **l** from the amount at row **k** in Worksheet 1 and write the answer at row **m**. If row **l** is greater than row **k**, the amount at row **m** will be a loss.

Step 4

Transfer the amount at **worksheet 1** – row **m** to question **20** – label **R**. If you make a loss, print **L** in the **Loss** box at question **20** – label **R**.

If you don't receive any other foreign income, go to Part F. Otherwise, read on.

Part D

Part **D** is about foreign super lump sums.

Do you either:

- receive a lump sum payment from a foreign super fund
- transfer a lump sum from a foreign super fund to an Australian super fund?

If you answer:

- **No** – Go to Part E.
- **Yes** – Read on.

This part doesn't apply to transfers of lump sums from one foreign super fund to another foreign super fund.

A lump sum payment from a foreign super fund may be tax-free if you receive it within 6 months either after you:

- become an Australian resident
- terminate your foreign employment.

To work out whether the lump sum payment you receive is tax-free, see Withdraw a lump sum directly from a foreign super fund.

If your lump sum payment is tax-free, don't show it anywhere in your tax return.

If your lump sum payment isn't tax-free, then you need to show in your tax return the amount of the lump sum that relates to your applicable fund earnings. In general terms, applicable fund earnings are the earnings on your foreign super interest which accrue while you're an Australian resident.

However, you don't need to show your applicable fund earnings in your tax return, if:

- all of your lump sum payment goes into an Australian complying super fund
- after you receive the lump sum payment, you no longer have an interest in the foreign super fund
- you make a choice to include all your applicable fund earnings in the assessable income of your Australian super fund – provide your choice in writing to your super fund.

If you make a choice to have only include part of your applicable fund earnings in the assessable income of your Australian super fund, you

need to include the remainder in your tax return.

For more information on the tax treatment of foreign fund transfers, see:

- Transfer from a foreign super fund to an Australian super fund
- Withdraw a lump sum directly from a foreign super fund
- Non-concessional contributions cap.

Determine the amount (if any) of your applicable fund earnings from each fund that you need to include in your assessable income. Add up your applicable fund earnings amounts and write the total at Worksheet 1 – row **q**.

If you receive other foreign income, go to Part E.

Otherwise, transfer the amount at Worksheet 1 – row **q** to question **20** – label **M**. Go to Part F.

Part E

Part **E** is about other foreign source income.

Do you receive any other foreign source income, including:

- interest, royalties or dividends
- income from carrying on a business wholly or partly overseas
- any other foreign income?

If you answer:

- **No** – Go to Part F.
- **Yes** – Read on.

Include at this question:

- dividends you receive from a New Zealand franking company (including non-share dividends)
- supplementary dividends you receive from a New Zealand franking company
- dividend (or non-share dividend) income from a New Zealand franking company that you receive or become entitled to during 2024–25 through a partnership or a trust

- a payment from a foreign source on termination of your foreign employment, which
  - isn't an employment termination payment or a foreign termination payment (both defined in question 4 Employment termination payments 2025
  - isn't showing on an income statement or *PAYG payment summary – individual non-business*, *PAYG payment summary – foreign employment*.

Don't include any Australian franking credits from a New Zealand franking company that you receive directly or indirectly through a trust or partnership. Show these amounts at Part G.

If you pay foreign tax on an attribution account payment (usually a dividend distribution) you receive that you pay out of previously attributed income and that payment is non-assessable non-exempt income (tax-free income), you don't include this income anywhere in your tax return.

Step 1

If you had foreign tax (including New Zealand non-resident withholding tax) taken away from this income, add it to the amount you receive.

Add up all the assessable foreign income (including foreign tax on that income) that you haven't already shown in your tax return. Write the total at Worksheet 1 – row **r**.

Step 2

Add up all the deductible expenses that you incur in earning the foreign income you show at Part E, Step 1, excluding any debt deductions. Write the total at Worksheet 1 – row **s**.

Debt deductions, such as interest and borrowing costs, aren't deductible for the purposes of this calculation unless they relate to income you earn through a permanent establishment in an overseas country. If you incur debt deductions in earning your foreign income and the deductions aren't attributable to an overseas permanent establishment, see question D15 Other deductions not claimable elsewhere in your tax return 2025.

Step 3

Subtract the amount at row **s** from the amount at row **r** in Worksheet 1 and write the answer at row **t**. If row **s** is greater than row **r**, the amount at row **t** will be a loss.

Step 4

Add up the amounts at row **q** and row **t** in Worksheet 1. Write this total at question **20** – label **M**. If the total is a loss, print **L** in the **Loss** box at question **20** – label **M**.

If any part of the amount at row **t** relates to a business activity that has made a loss, and the activity isn't also carried on in Australia, complete **P3 Number of business activities** and **P9 Business loss activity details** in your *Business and professional items schedule 2025*.

If you carry on the business activity partly overseas and partly in Australia, contact us for assistance.

Small business income tax offset

If any part of the amount at Worksheet 1 – row **t** is net income from a small business entity, you may be entitled to the small business income tax offset.

If the amount is from a sole trading activity, see instructions at Part D in question **15 Net income or loss from business**. If this applies to you, then you should lodge your tax return using myTax or a registered tax agent.

If the amount is a distribution from a partnership or trust, see instructions at Part E in question **13 Partnerships and trusts**.

We use these amounts to work out your entitlement to the small business income tax offset.

Part F

Part F is about working out your assessable foreign source income.

Add up the amounts in Worksheet 1 at rows **a**, **d**, **g**, **k**, **q** and **r**. The total is your assessable foreign source income. Write this total at question **20** – label **E**.

Make sure the amount you show at label **E** doesn't include any exempt foreign income or income on a *PAYG payment summary – foreign employment* or income statement.

If you have Australian franking credits from New Zealand franking companies, go to Part G. If you're entitled to a foreign income tax offset, go to Part H.

Otherwise, go to Part I.

Worksheet 1: Other foreign income

Part	Assessable amount $	Deductible expenses $	Taxable amount $
Part A Employment income not shown on a PAYG 'payment summary – foreign employment' or income statement	a	b	c
Part B Pension or annuity income without a UPP	d	e	f
Part B Pension or annuity income with a UPP	g	h	j
Part C Rental income	k	l	m
Part D Super lump sums	q	n/a	n/a
Part E	r	s	t

Other income			
Totals	$	$	$

Part G

Part **G** is about working out your Australian franking credits from a New Zealand franking company.

Step 1

Add up all amounts of Australian franking credits from a New Zealand franking company that you're entitled to, whether:

- directly by way of franked dividends or franked non-share dividends the company pays you
- indirectly through a trust or partnership.

Don't include:

- New Zealand imputation credits
- Australian franking credits you receive from an Australian company (show these amounts at either question 11 Dividends 2025, or question 13 Partnerships and trusts 2025)
- Australian franking credits that you're not entitled to (for example, because the dividend, non-share dividend, or income from the trust or partnership is exempt, or because you fail the holding period rule or trigger the related payments rule).

For more information, see You and your shares 2025.

The amount of Australian franking credits you would otherwise be entitled to is reduced if:

- you receive a dividend (or non-share dividend) from a New Zealand franking company with Australian franking credits attached
- you receive a supplementary dividend from the New Zealand franking company (either directly, or indirectly through a partnership or trust) that is paid in connection with the franked dividend
- you're entitled to a foreign income tax offset because of the inclusion of the franked dividend in your assessable income.

The amount of the reduction is the amount of the supplementary dividend (or your share of the supplementary dividend if you receive it indirectly through a trust or partnership).

Step 2

Write the amount you work out in Part G, Step 1 at question **20** – label **F**.

Part H

Part **H** is about working out your foreign income tax offset (FITO).

You need to complete Part **H** to claim a foreign income tax offset. You may be entitled to the offset if you pay foreign tax on income you include in your assessable income this year or on an attribution account payment you receive (usually a dividend distribution) that is paid out of previously attributed income and that payment is non-assessable non-exempt income. This includes where:

- you acquire employee share scheme interests at a discount in relation to your foreign employment
- you pay tax on the discounts in the foreign country.

When completing the steps you must include the foreign tax paid in relation to the employee share scheme discounts that relate to your foreign employment.

Guide to foreign income tax offset rules 2025 explains which foreign taxes count towards the offset. If you receive a distribution statement from a managed fund that reports a 'Foreign tax offset applicable to discountable capital gains' you'll need to apportion that amount.

You need to read the *Guide to foreign income tax offset rules 2025,* if either:

- You pay foreign tax on an attribution account payment you receive (usually a dividend distribution) that is paid out of previously attributed income and that payment is non-assessable non-exempt income.
- The amount of foreign tax you pay relates to an amount that differs from the amount you include in your assessable income. For example, where you have both capital losses and foreign capital gains, the net capital gain you include in your assessable income

will be less than the foreign capital gain on which you pay foreign tax.

For Australian resident individuals with Joint Petroleum Development Area (JPDA) income, the FITO for an employee is the lesser of:

- Australian tax payable on the net assessable JPDA income (JPDA income less allowable deductions relating to that income).
- Timor-Leste tax paid on JPDA employment income.

The FITO limit doesn't apply to this income.

Step 1

Does the total amount of foreign tax you pay during 2024–25 exceed $1,000?

- **No** – Write the total amount of foreign tax paid at question **20** – label **O**. Show cents. This amount can't be greater than $1,000. Go to Part I.
- **Yes** – Read on.

Step 2

As the total amount of foreign tax you pay during 2024–25 is greater than $1,000, you need to work out the full amount of FITO that you can claim.

To work out the total FITO you can claim, see Guide to foreign income tax offset rules 2025.

Alternatively, you can simply claim a tax offset of $1,000. However, if you claim only $1,000 for 2024–25, you won't be able to claim the rest of your 2024–25 foreign tax in a future income year.

Are you limiting your tax offset claim to $1,000 of the foreign tax you pay?

- **Yes** – Write $1,000 at question **20** – label **O**. Go to Part I.
- **No** – Read on.

Step 3

Did you show exempt foreign employment income at question **20** – label **N**?

- **No** – See Guide to foreign income tax offset rules 2025. Work out the total FITO you can claim. Write the amount at question **20** – label **O**, show cents. Go to Part I.
- **Yes** – Read on.

You won't be able to work out your FITO. We'll work it out for you.

You will need to provide additional information:

- write on a separate sheet of paper
  - the heading **Schedule of additional information** - **question 20 Exempt foreign employment income – label N**
  - your name, address and TFN
  - the amount, and the name of the country to which the amount relates, against each
    - type and amount of foreign income
    - any foreign tax amounts you pay on that foreign income.
- attach your schedule of additional information to your tax return
- print **X** in the **Yes** box at **Taxpayer's declaration** in your tax return.

Part I

At any time during 2024–25, do you own or have an interest in assets outside Australia that have a total value of A$50,000 or more?

- **No** – Print **X** in the **No** box at question **20** – label **P**.
- **Yes** – Read on.

Assets include:

- real estate
- shares in companies and other entities
- interests in partnerships or trusts
- businesses
- debentures
- bonds
- money and funds held in accounts or by other parties

- loans to other parties
- deposits
- intangible property such as
  - trademarks
  - copyrights
  - patents
  - debtors
  - 'equitable choses in action'
- any interest
  - whether legal or beneficial
  - whether held directly or indirectly through one or more interposed entities.

If question 19 covers all the assets you hold overseas, your answer to this question is **No**.

Determine the value of all your overseas assets, whether tangible or intangible, and if you receive any income from those assets during 2024–25. Use the:

- historical cost or market value, whichever is greater
- exchange rate at 30 June 2025 to convert the value of the assets to Australian dollars or, if you disposed of the assets during the year, the exchange rate at the time of disposal.

Print **X** in the **Yes** box at question **20** – label **P** if the value of your overseas assets is A$50,000 or more. Otherwise print **X** in the **No** box.

Checks before moving to the next question

Check that you:

- write in your supplementary tax return, as applicable, your
  - assessable foreign source income
  - other net foreign employment income
  - net foreign pension or annuity incomes, without and with UPP

  - net foreign rent
  - other net foreign source income
  - Australian franking credits from a New Zealand franking company
  - net foreign employment income shown on *PAYG payment summaries – foreign employment* and income statements
  - foreign employment income that is exempt from tax
  - foreign income tax offset
  - answer to the question about the value of your overseas assets
- attach to your tax return your *Schedule of additional information – question 20*, if you need to send us one
- kept your records with your other documents.

Where to go next

- Go to question 21 Rent 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 19 Foreign entities 2025.

QC 104266

21 Rent 2025

Complete question 21 of the supplementary tax return to report your rental property income and claim deductions.

Published 27 May 2025

Things you need to know

Declare at this question rental income you earn and expenses you incur relating to your rental property in Australia.

You need to read Rental properties guide 2025 before you can answer this question.

If you don't earn rental income or your property wasn't available for rent, go to question 22 Life insurance companies and friendly society bonuses 2025.

Don't include at this question

Don't show at this question:

- a deduction for the decline in value of a low-value pool, show this at question D6 Low-value pool deduction 2025
- foreign source rental income, that is, rental income from properties outside Australia, show this at question 20 Foreign source income and foreign assets or property 2025
- expenses you incur in earning rental income from properties outside Australia, show these at question 20 Foreign source income and foreign assets or property 2025
- income you earn, or expenses you incur, from peer-to-peer sharing of your car, caravan or car parking space, show this at question 24 Other income 2025.

Capital gains tax

If you dispose of your property (for example, by selling it, gifting it or transferring it to someone else) in 2024–25, capital gains tax (CGT) might apply and you must read:

- question 18 Capital gains 2025
- Guide to capital gains tax 2025.

From 1 July 2021, if certain conditions are met, no CGT event arises when you agree to an eligible arrangement that creates, varies or ends an eligible granny flat interest. The exemption doesn't apply to other CGT events that:

- happen with such transactions
- don't relate to your granny flat interest's creation, variation or termination.

Renting out part or all of your home

If you rent out part, or all, of your home, the rent money you receive is assessable income. This means you:

- must declare your rental income in your income tax return
- can claim deductions for associated expenses, such as part or all of the interest on your home loan
- aren't entitled to the full main residence exemption from CGT, so you'll have to pay CGT on part of any capital gain made when you sell your home.

If you rent out part, or all, of your home at normal commercial rates, the tax treatment of income and expenses is the same as for any residential rental property.

Payments from a family member for board or lodging are considered to be domestic arrangements and aren't rental income. You can't claim income tax deductions.

Co-ownership

If you derive rent jointly (or in common) with another person from a jointly held property where you aren't a member of a partnership carrying on a business of renting out properties, include your share of rent and expenses at this question.

If the title deed shows that you're a part owner of the property, include only your share of the rent and expenses in your tax return. For example, if you own half of the property, you should show half of the rent and claim half of the deductible expenses for the property. For more information on how to work out your share of the rent and expenses that you can claim, see Rental properties guide 2025.

Rental income

Rental income is the full amount of money you earn when you rent out your property (including renting out a room through the sharing economy). You must include any bond money you either:

- retain in place of rent
- kept because of damage to the property requiring repairs.

You must also include as income:

- an insurance payout for lost rent, or a reimbursement of any rental expenses, you claim in 2024–25 or in an earlier year
- fees retained from cancelled bookings.

Rental expenses

You can claim expenses relating to your rental property but only for the period your property is rented or genuinely available for rent. For example, where you advertise your property for rent without limiting its exposure to potential clients.

Expenses could include:

- advertising for tenants and property agent fees or commissions
- body corporate fees and land tax
- borrowing expenses
- interest expenses
- council rates
- decline in value of depreciating assets
- gardening, lawn mowing and pest control
- insurance
- repairs and maintenance
- legal expenses
- stationery and phone expenses
- water charges.

If you're renting only part of your home (for example, a single room), you can claim expenses related to renting out only that part of the house.

You can't claim the total amount of expenses relating to the whole property – for example, with council rates and interest expenses you need to apportion these expenses. As a general guide, you should apportion expenses on a floor-area basis using the area solely occupied by the renter (user) and add that to a reasonable amount based on their access to common areas.

You can claim expenses only for the period you rent the room in your home to a tenant. You can't claim deductions for expenses when the room isn't rented.

You can claim 100% of fees or commissions charged by a sharing economy facilitator or administrator.

Example: rental property expenses – part of your home

Gerard's private residence includes a second storey that he rents out. The second storey represents 30% of the total floor area of the house. Gerard also shares the laundry with his tenant.

The laundry takes up 10% of the total floor area of the house. As it's shared by Gerard and the tenant, half of the floor space is a reasonable figure to use for the laundry, Gerard can claim 35% of the expenses for the property. That is,
30% + (50% × 10%) = 35%.

For more information on apportionment, see Taxation Ruling IT 2167 *Income Tax: rental properties – non-economic rental, holiday home, share of residence, etc. cases, family trust cases*.

Renting out your holiday home

If you have a holiday home that you rent out, you must include the rent money you receive in your assessable income. You can also claim deductions for the associated expenses.

In deducting your expenses, you must ensure that you're apportioning expenses to account for any private use of the property. You can only claim expenses for periods that your holiday home is being rented or is genuinely available for rent.

Deductions for decline in value of depreciating assets

You may be able to claim a deduction for the decline in value of certain items, known as depreciating assets, that you acquire as part of the purchase of your property or that you subsequently purchase for your property.

A **depreciating asset** is an asset that has a limited effective life and can reasonably be expected to decline in value over the time it's used. Examples of depreciating assets are freestanding furniture, stoves, washing machines and television sets.

For a comprehensive list of depreciating assets found in residential rental properties, see Rental properties guide 2025.

Deductions for decline in value of second-hand depreciating assets

You can't claim a deduction for the decline in value of certain second-hand depreciating assets you acquire, or contracted to acquire, at or after 7:30 pm AEST on 9 May 2017 for your residential rental property, unless you're carrying on a business of letting rental properties.

This doesn't apply to assets you acquire with a new residential property if both of the following apply:

- no other entity is previously entitled to a deduction for the decline in value of these assets
- either
  - no one resides in the property before you acquire it
  - the asset is used, or installed for use, at the property, and you acquire the property within 6 months of it being built.

Second-hand depreciating assets are depreciating assets previously used, or installed ready for use:

- by another entity (except as trading stock)
- in your private residence
- for a non-taxable purpose, unless that use was occasional – for example, staying at the property for one evening while carrying out maintenance activities would be considered an occasional use.

You can't claim the decline in value of a depreciating asset that you use, or had installed ready for use, for any private purpose in 2016–17 or earlier, if you weren't entitled to a deduction for its decline in value in 2016–17. For example, depreciating assets in a property that was your home in 2016–17 that you turned into your residential rental property after 30 June 2017.

For more information on the limit on deductions for the decline in value of second-hand depreciating assets in your residential rental property, including how the rules apply to the low-value pools, see Rental properties guide 2025.

Guide to depreciating assets 2025 and *Rental properties guide 2025* will help you understand the rules for working out your deduction for decline in value and other aspects of rental property ownership. *Guide to depreciating assets 2025* also contains details on when an immediate deduction can be claimed for depreciating assets.

If you choose the low-value pool method to calculate the decline in value of low-cost and low-value assets, read question D6 Low-value pool deduction 2025 and claim your low-value pool deduction at question **D6**.

Residential rental property travel expenses

Travel expenses relating to your residential rental property aren't deductible unless you're carrying on a business of letting rental properties. You also can't include them in the calculation of your capital gain or capital loss when you dispose of the property.

If your travel expenses relate to your residential rental property and another income producing activity, you'll need to apportion the expenses on a fair and reasonable basis.

Prepaid expenses

If you prepaid a rental property expense, such as insurance or interest on money you borrow, that covers a period of 12 months or less and the period ends on or before 30 June 2026, you can claim an immediate deduction.

If the expense is $1,000 or more and covers a period that extends beyond 30 June 2026, your deduction might have to be spread over 2 or more years under the prepayment rules.

For more information, see Deductions for prepaid expenses 2025.

Capital works deductions

You may be able to claim a deduction for the construction costs of your property over a 25-year or 40-year period. This is called a capital works deduction. You can claim a deduction if one of the following apply, construction began after:

- 21 August 1979, the property is used to provide short-term accommodation for travellers and it meets certain other criteria
- 19 July 1982 and the property isn't used for residential accommodation (for example, a shop)
- 17 July 1985 and the property is used for residential accommodation.

A deduction may also be available for structural improvements made to parts of the property other than the building if work began after 26 February 1992. Examples include sealed driveways, fences and retaining walls.

The deduction doesn't apply until completion of the construction. The deduction is at the rate of 2.5% or 4% (adjusted for part-year claims) depending on the date the capital works began or whether it is an eligible build to rent development.

Rental properties guide 2025 will help you determine whether you qualify, and the appropriate rate.

Rental deductions for vacant land

From 1 July 2019, you can't claim rental deductions for the cost of holding vacant land, even if you're building or intend to build a rental property.

If your rental property is destroyed by a natural disaster or circumstances beyond your control, you can still claim deductions for the cost of holding the land for 3 years from the time the property is destroyed. You may apply to the Commissioner for an extension to the 3-year limit.

Thin capitalisation

The thin capitalisation rules might apply to disallow a deduction for a portion of your debt deductions if both of the following apply:

- your debt deductions, such as interest (combined with those of your associate entities), for 2024–25 are more than $2 million
- you're either
  - a foreign resident

- an Australian resident and you (or any associate entities) have certain overseas interests.

What you need to answer this question

You must have the correct records for the claims that you make. You'll need details of:

- all rental income you earn
- interest you're charged on money you borrow for the rental property
- other expenses relating to your rental property
- the period your property is genuinely available for rent (if applicable)
- any expenditure on capital works to your rental property.

If you have redrawn funds or increased your rental property loan for personal use, you can claim interest only on the part of the loan related to the rental property.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Write your share of the total amount of gross rent at question **21** – label **P** in your supplementary tax return. Don't show cents.

Step 2

Write your share of the interest expenses that you can claim as a deduction at question **21** – label **Q**. Don't show cents.

Step 3

Write your share of the capital works deductions that you can claim as a deduction at question **21** – label **F**. Don't show cents.

Step 4

Write your share of the other rental expenses that you can claim as a deduction (except any low-value pool deduction) at question **21** – label **U**. Don't show cents.

Step 5

Add up the amounts at question **21** – labels **Q**, **F** and **U**. Subtract the total from the amount at question **21** – label **P**. This is your net rent. Write this amount at question **21** – **Net rent**. Don't show cents.

Step 6

If your expenses are greater than your gross rent, you have made a rental loss. Print **L** in the **Loss** box at **Net rent**.

Check before moving to the next question

Check that you:

- show in your tax return your gross rent, interest deductions, capital works deductions, other rental deductions and net rent
- show only rental income and expenses from properties in Australia
- print **L** in the **Loss** box if your expenses are greater than your gross rent
- keep information to support your claims.

Where to go next

- Go to question 22 Life insurance companies and friendly society bonuses 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 20 Foreign source income and foreign assets or property 2025.

22 Life insurance companies and friendly societies bonuses 2025

Complete question 22 to report bonuses from life insurance companies and friendly societies.

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Things you need to know

Declare at this question any bonuses you receive from a life insurance company or friendly society. Life insurance policies are those a life insurance company and friendly society issue.

You need to include a bonus amount at this question if **all** the following conditions apply:

- You receive the bonus amount or direct how it's to be dealt with, within 10 years from when the policy starts.
- Your life insurance policy or friendly society insurance bond matures, or is terminated, forfeited, or surrendered in full or in part.
- The bonus amount is in addition to the premiums you pay to the life insurance company or friendly society.

If during the term of your life insurance policy or bond, you increase the amount of your premiums by more than 25% of the amount of premiums you pay in the previous policy year, your policy is taken to start at the beginning of the policy year in which you pay the increased premiums. This means that you may need to include some or all of a bonus amount in your assessable income.

You can't claim a loss if your life insurance policy or friendly society insurance bond either:

- matures
- is partly or fully surrendered, terminated or forfeited.

Different rules apply to a bonus you receive from a policy that start on or after 28 August 1982 and before 8 December 1983. Generally, you don’t need to include such a bonus in assessable income unless the

policy is taken to start at a later date and the rules apply. If you aren't sure whether you need to include your bonus, contact us.

Don't declare as income

Don't declare as income the following amounts:

- bonuses you receive after the 10th year of the policy
- life insurance bonuses from policies that
  - you start before 28 August 1982
  - mature due to the death of the person insured
  - you surrender due to an accident, illness or other disability of the person insured
  - you surrender due to severe financial hardship
  - are retirement savings accounts
- benefits you receive from a friendly society that are bonuses from income bonds; include these amounts at question 24 Other income 2025.

If you receive a statement detailing the bonus amount allocated to your continuing life insurance policy or friendly society bond but you haven't actually received the bonus or directed how it is to be dealt with, **don't** include the bonus amount as income.

If you don't receive a bonus because your life insurance policy or friendly society insurance bond matured, or was terminated, forfeited, or surrendered in full or in part, go to question 23 Forestry managed investment scheme income 2025.

What you need to complete this question

You'll need your:

- life insurance policy and bonus advice
- friendly society policy and bonus advice.

Completing your supplementary tax return

Write at question **22** – label **W**, either:

- the whole bonus amount you receive in 2024–25 if you receive it during the first 8 years of the policy
- two-thirds of the bonus amount you receive in 2024–25 if you receive it during the 9th year of the policy
- one-third of the bonus amount you receive in 2024–25 if you receive it during the 10th year of the policy.

Don't show cents. Don't include any bonus amount you receive after the 10th year of the policy.

Check before moving to the next question

Check that you have:

- written in your tax return the correct bonus amount
- kept a copy of your policy document and bonus advice with your other records, don't attach them to your tax return.

You'll get a tax offset equal to 30% of the amount you show at this question. We'll work out this tax offset for you.

Where to go next

- Go to question 23 Forestry managed investment scheme income 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 21 Rent 2025.

QC 104269

23 Forestry managed investment scheme income 2025

Complete question 23 to include income from forestry managed investment schemes.

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Things you need to know

Declare at this question income from forestry management investment schemes (FMIS). A forestry interest in a FMIS is a right to benefits produced by the scheme (whether the right is actual, prospective or contingent and whether it's enforceable or not).

An FMIS can have 2 different types of investors – initial participants and subsequent participants.

You're an initial participant in an FMIS if you meet the following conditions:

- you obtained your forestry interest in the FMIS from the forestry manager of the scheme
- your payment to obtain the forestry interest in an FMIS results in the establishment of trees.

You're a subsequent participant if you're not an initial participant.

A forestry manager of an FMIS is the entity that manages, arranges or promotes the FMIS.

The amount of your total forestry scheme deductions is the total of each amount that you can deduct or have deducted for each income year that you hold your forestry interest. For more information on amounts you can deduct, see D14 Forestry managed investment scheme deduction 2025.

The amount of your incidental forestry scheme receipts is the total of each amount that you receive under the scheme in each income year that you hold your forestry interest, other than amounts you receive because of a capital gains tax (CGT) event. A CGT event includes a sale of all or part of a forestry interest or harvest proceeds.

If you don't receive income from a FMIS, go to question 24 Other income 2025.

Completing your supplementary tax return

Show at question **23** – label **A** the total income from forestry interests you hold in an FMIS from the following activities:

- Initial participants
- Subsequent participants.

Initial participants

Complete the following if you're an initial participant.

Thinning receipts

If you receive thinning proceeds from your forestry interest, include the actual amount you receive in the total amount at question **23** – label **A**.

Sale and harvest receipts: forestry interest you no longer held

Include the market value of the forestry interest at the time of the CGT event in the total at question **23** – label **A**, if both of the following applies:

- a CGT event happens, and you no longer hold your forestry interest as a result of the CGT event (for example, because you sold the interest to another person, or you receive harvest proceeds)
- you either
  - claimed a deduction
  - can claim a deduction
  - would be entitled to claim a deduction but for a CGT event happening within 4 years after the end of the income year in which you first pay an amount under the FMIS.

Sale and harvest receipts: forestry interest you still held

Include the amount by which the market value of your forestry interest is reduced in the total at question **23** – label **A**, if both of the following applies:

- a CGT event happens, and you still hold your forestry interest (for example, because you sold part of your interest or there is a partial harvest)
- you either
  - claimed a deduction

- can claim a deduction
- would be entitled to claim a deduction but for a CGT event happening within 4 years after the end of the income year in which you first pay an amount under the FMIS.

Subsequent participants

Complete the following if you're an subsequent participant.

Thinning receipts

If you receive thinning proceeds from your forestry interest, include the actual amount you receive in the total at question **23** – label **A**.

Sale and harvest receipts: forestry interest you no longer held

Include the amount worked out below in the total at question **23** – label **A**, if all of the following applies:

- a CGT event happens
- you no longer hold your forestry interest as a result of the CGT event (for example, you sell your interest or you receive harvest proceeds)
- in relation to the forestry interest, you either
  - claimed a deduction
  - can claim a deduction
  - could have deducted an amount if you had paid the amount under the FMIS.

Work out the lesser of the following 2 amounts:

- the market value of the forestry interest (at the time of the CGT event)
- the amount (if any) by which the total forestry scheme deductions exceeds the incidental forestry scheme receipts.

Include the lesser of the 2 amounts above in the total at question **23** – label **A**.

Sale and harvest receipts: forestry interest you still held

Do all of the following apply?

- A CGT event happens.
- You still hold your forestry interest (for example because you sold part of your interest or there is a partial harvest).
- You deduct or can deduct or could have deducted an amount if you pay the amount under the FMIS in relation to the forestry interest.

If you answer:

- **No** – You have finished this question. Go to, question 24 Other income 2025.
- **Yes** – Read on.

Work out the lesser of the following 2 amounts:

- the market value of the forestry interest (at the time of the CGT event)
- the amount (if any) by which the total forestry scheme deductions exceed the incidental forestry scheme receipts ('net deductions').

Use the lesser of the 2 amounts above in the following formula:

> lesser of 2 amounts above
>
> **multiplied by**
>
> the decrease, (if any) in the market value of the forestry interest – as a result of the CGT event)
>
> **divided by**
>
> the market value of the forestry interest just before the CGT event

Include at question **23** – label **A** the amount you work out using the above formula.

In a future income year (a year in which you receive further proceeds from a harvest or the sale of your forestry interest), disregard the amount of the 'net deductions' that has already been included at label **A**.

For more information on the CGT treatment of your forestry interest, see the Guide to capital gains tax 2025.

Example 1: sale receipts: forestry interest no longer held

Julian is a subsequent participant in an FMIS. He sells his forestry interest at the market value of $20,000. The sale of his forestry interest is a CGT event. His original cost base is $14,000.

In the time that Julian held his forestry interest, he claimed $4,000 in deductions (his 'total forestry scheme deductions') for lease fees, annual management fees and the cost of felling that he paid to the forestry manager. In the same period, Julian received $1,500 from thinning proceeds (his 'incidental forestry scheme receipts').

Julian writes **$2,500** (that is, $4,000 − $1,500) at question **23** – label **A**, because this amount is less than the market value of his forestry interest ($20,000) at the time of the CGT event.

CGT notes:

- Julian will take the amount he includes at question **23** – label **A** into account when working out the amount to include in his question **18 Net capital gain**.
- The capital gain would be $3,500, that is, capital proceeds of $20,000 *less* cost base of $16,500 (made up of $14,000 plus $2,500 that he includes in his assessable income).

Example 2: harvest receipts: forestry interest still held

John is a subsequent participant in an FMIS. He receives harvest proceeds over 2 income years. He receives his first harvest payment of $5,000 in 2024–25.

The market value of John's forestry interest is $20,000 just before he receives his first harvest payment (which is a CGT event). After John receives this first harvest payment, the market value of his forestry interest is reduced to $15,000. His original cost base is $14,000.

In the time that he held his interest, he claimed $4,000 in deductions (his 'total forestry scheme deductions') for lease fees, annual management fees and the cost of felling that he paid to the forestry manager. In the same period, John received

$1,500 from thinning proceeds (his 'incidental forestry scheme receipts').

Step 1

The market value of the forestry interest (at the time of the CGT event) is $20,000.

The amount by which the total forestry scheme deductions exceed the incidental forestry scheme receipts is $2,500 (that is, $4,000 − $1,500).

The amount to use in Step 2 is $2,500.

Step 2

$2,500 × $5,000 ÷ $20,000 = $625

When determining the amount to include in Step 2 for any future income year in which you receive harvest proceeds or sell your forestry interest, the $625 is disregarded. This is because you include this amount is already in your assessable income for the current income year.

Step 3

John writes **$625** at question **23** – label **A**.

CGT note: John has disposes of 25% of his forestry interest. John will take the amount at label **A** into account when working out the amount to include in his question **18 Net capital gain**.

For 2024–25 the capital gain would be $875, that is, capital proceeds of $5,000 *less* apportioned original cost base of $4,125 (made up of $3,500 (25% of $14,000) *plus* $625 that he includes in assessable income).

Where to go next

- Go to question 24 Other income 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 22 Life insurance companies and friendly society bonuses 2025.

QC 104270

24 Other income 2025

Complete question 24 to declare other types of income in your supplementary tax return.

Last updated 27 May 2025

Things you need to know

Declare at this question other types of income that you haven't been able to show elsewhere in your tax return.

Other income includes:

- an amount released by one or more of your super funds greater than the liability stated on a release authority
- an assessable first home super saver (FHSS) released amount
- lump sum payments in arrears; don't include lump sum payments in arrears relating to super income streams, show them at question **7**
- income you earn from the sharing economy or other marketplace, with the exception of
  - income from rent (include this at question **21**)
  - income from carrying on business (include this in the *Business and professional items schedule 2025* at **P8 Business income and expenses**)
  - income from being an employee (include this at question **1**)
- jury attendance fees
- foreign exchange gains
- royalties
- bonus amounts distributed from friendly society income bonds
- taxable scholarships, bursaries, grants or other educational awards

- benefits or prizes from investment-related lotteries and some game-show winnings
- income from activities as a special professional (author, inventor, performing artist, production associate or active sportsperson); amounts you already include at questions **1**, **2**, **13**, **14** or **15**, you may also have to show here as you may be entitled to a concessional rate of tax if you have certain amounts of professional income, you won't pay tax twice on these amounts
- reimbursements of tax-related expenses (including amounts imposed by us as an interest charge) or election expenses that you claimed as a deduction
- any assessable balancing adjustment when you stop holding a depreciating asset (for example, because of its disposal, loss or destruction) that you claimed a deduction for depreciation or decline in value in previous years; your car is a depreciating asset
- payments made to you under an income protection, sickness or accident insurance policy where the premiums are deductible and the payments replaced income, except
  - payments from which tax is withheld and which you have already shown at question **1**
  - payments on a payment summary or income statement and which you have already shown at question **2**
- gains derived on disposal or redemption of traditional securities that are assessable under section 26BB of the *Income Tax Assessment Act 1936*
- allowances or payments you receive as a member of a local government council that you haven't shown at questions **1** or **2**
- other taxable allowances or payments you receive from Services Australia that you didn't report at questions **5** or **6** (such as the activity supplement, the farm financial assessment supplement or the farm household allowance relief payment that is paid under the farm household allowance program)
- work-in-progress amounts assessable under section 15-50 of the *Income Tax Assessment Act 1997* that you receive and didn't include at question **15 Net income or loss from business**.

If you don't receive other types of income, go to Total supplement income or loss 2025.

For an explanation of many of these types of income, see Types of income. If you have income not listed here that you're unsure about, search this site or contact us.

Don't show at this question:

- foreign exchange losses
- rental income or losses
- business income or losses
- partnership income or losses
- capital gains or capital losses
- discounts on shares, stapled securities (if at least one of the stapled interests is a share in a company) or rights to acquire shares or such stapled securities, acquired under an employee share scheme.

Other questions deal with these matters.

Types of income

Types of income and when to include them in your supplementary tax return.

Amount released by super fund more than liability on release authority

If you use a release authority that we give you to withdraw an amount from your super fund, the payment is tax-free unless you withdraw an amount greater than the liability printed on the release authority.

You must include the excess of the total amount released to you over the liability printed on the release authority in your assessable income for the income year in which you withdraw the money.

Assessable first home super saver (FHSS) released amount

You must include the assessable FHSS released amount on your payment summary as assessable income in your tax return for the year in which you request us to issue a release authority. You'll also need to include the tax withheld amount so that you pay the correct amount of tax.

Lump sum payments in arrears

Lump sum payments in arrears (LSPIA) payments relate to an earlier income year and you can find the details at:

- **Lump sum payment E** on your income statement
- label **E** on your *PAYG payment summary – individual non-business*
- label **E** on your *PAYG payment summary – foreign employment*.

Include at this question any lump sum payments you receive in relation to the following:

- back payments of salary or wages that accrue in a period more than 12 months before the date of payment
- salary or wages that accrue during a period of suspension and you receive payment on resuming duty
- back payments of non-super annuities that accrue, in whole or in part, in an earlier income year or years
- back payments of repatriation and social welfare pensions, allowances or payments, including those a foreign government pays
- back payments of periodical workers and accident compensation payments but not payments made to the owner of the policy
- back payments of Commonwealth education or training payments.

If you meet certain conditions, you may be eligible for a concession if you receive certain LSPIA during 2024–25. We'll calculate these concessions for you when you lodge your tax return. For more information, see Lump sum payment in arrears.

If you receive LSPIA, you must provide a *Schedule of additional information*.

Include the following:

- write on a separate sheet of paper
  - the heading **Schedule of additional information – question 24**
  - your name, address and TFN.
  - details of each lump sum payments in arrears (lump sum E) amount and the prior income years the payment relates to
- print **X** in the **Yes** box at **Taxpayer's declaration** – question **2**

- attach the schedule to your tax return.

If you receive a *PAYG payment summary – foreign employment* showing an amount at Lump sum E and you pay foreign tax on this amount, you'll also need to include the amount at question **20** – label **U**. You won't pay tax twice on this amount.

Example: reporting LSPIA in the schedule of additional information

Jimmy receives a lump sum payment in arrears as back payment for salary and wages from his employer on 16 September 2024. At the end of the income year Jimmy's income statement shows lump sum payment in arrears amount at label **Lump sum payment E**, of $6,800. His employer also provides him with an advice that the LSPIA amount relates to prior income years amounts, as follows:

- $4,200 in 2022
- $2,600 in 2023.

Jimmy must report the amount at question **24** – label **E** in his supplementary tax return and provide a *Schedule of additional information* detailing the lump sum payments and the income year they relate to. He prepares a separate sheet of paper to attach to his tax return, showing:

Schedule of additional information – question 24

Full name, address and TFN

Lump sum payment in arrears (Lump sum E) details

Income year the payment relates to	Lump sum E amount
2022	$4,200
2023	$2,600

When we process Jimmy's tax return, we use the lump sum E details he provides in the *Schedule of additional information* to

work out if Jimmy will receive any concessions.

We compare the tax payable on the lump sum E amount in the current income year to the tax payable in the income years the amounts relate to. If the tax payable on Jimmy's lump sum E amount is more than the tax payable in the relevant income years, Jimmy will receive a tax offset for the difference. Jimmy may also receive concessions for Medicare levy and Medicare levy surcharge.

Income you earn through the sharing economy or other marketplaces

The sharing economy is economic activity through a digital platform (such as a website or an app) where people share assets or services for a fee. Amounts you receive are assessable income, even if you aren't carrying on a business.

Include at this question any income you receive for:

- peer-to-peer renting or hiring (sharing) through a digital platform other than rent you include at question 21 (if you own or lease an asset jointly, then you declare income in proportion to your share of ownership)
- providing your services or completing tasks through a digital platform.

Don't show at this question:

- Income you earn through sharing economy or other marketplace activities where you're carrying on a business, including income from ride-sourcing – show these amounts at **P8 Business income and expenses** in your *Business and professional items schedule 2025*.
- Rental income or losses, such as income from renting all or part of your home – show this amount at question **21** in your *Supplementary tax return*.
- Employee salary or wages – show this amount at question **1** in your tax return.

If you have any allowable deductions relating to sharing economy income you include at this question, go to question D15 Other deductions not claimable elsewhere in your tax return 2025.

Jury attendance fees

Include any jury attendance fees you receive here. Don't include attendance fees if you had to pay the fees to your employer because you also receive your normal income while on jury duty. If the jury fees include an amount for travel and meal allowances, don't include these amounts anywhere in your tax return.

Foreign exchange gains

Unless you carry on a business in 2024–25 and include all your foreign exchange gains (forex gains) in calculating your business net income or loss at question 15, you must show your forex gains at this question (except any foreign source forex gains that you have include at question 20).

Under the forex measures, include in your assessable income gains attributable to a fluctuation in a currency exchange rate or to an agreed exchange rate differing from an actual exchange rate. The gains are assessable when they are realised. This is when you:

- dispose of foreign currency or a right thereto
- cease to have a right to receive or pay foreign currency
- cease to have an obligation to pay or receive foreign currency.

Some forex gains aren't assessable, and in some circumstances, you might make an election that affects the realisation or treatment of a forex gain. These are set out at Foreign exchange gains and losses together with more information about the forex measures and how to calculate your foreign exchange gains.

If you have a deductible foreign exchange loss, go to question D15 Other deductions not claimable elsewhere in your tax return 2025.

Royalties

If you're an Australian resident for tax purposes in 2024–25, include at this question income from royalties that you didn't already include at question **15** or **20**.

Bonus amounts distributed from friendly society income bonds

You must include at this question any distributions of bonus amounts from a friendly society income bond. Your friendly society income bond distribution statement will advise you of the amount to include.

Taxable scholarships, bursaries, grants and other educational awards

Include at this question any income from a scholarship, bursary, grant or other award, on which you have to pay tax, unless you already show it:

- at questions **1** or **2**
- in calculating your business net income or loss shown at question **15**.

If you aren't sure about a payment, contact the organisation that pays you. If you then need more information, contact us.

If you receive a taxable scholarship you may be able to claim the self-education expenses you incur in meeting the study requirements of the scholarship. For more information, go to question D15 Other deductions not claimable elsewhere in your tax return 2025.

Benefits or prizes from investment-related lotteries and game-shows

You must include at this question the value of benefits or prizes you receive from an investment-related lottery offered by an investment body such as a bank, building society or credit union. Prizes can include cash, low-interest or interest-free loans, holidays or cars.

Don't include prizes won in ordinary lotteries, for example, lotto draws, caskets and raffles. Don't include prizes won in game shows unless you regularly receive appearance fees or game-show winnings.

Income from activities as a special professional

If you're a special professional (for example an author or active sportsperson), you must include your taxable professional income at this question.

As a special professional, you may be entitled to a concessional rate of tax where your taxable income includes certain amounts of professional income which, when added to your other income, moves you into a higher tax bracket.

You're entitled to this concession in 2024–25 if, all of the following apply:

- you're an Australian resident
- you're a special professional
- your taxable professional income is more than $2,500 in the first year that this concession applies.

To work out your taxable professional income or tax payable, see Income averaging for special professionals 2025.

Reimbursements of tax-related or election expenses you claim as a deduction

If you receive a reimbursement or refund in 2024–25 of any tax-related expenses or election expenses which you claim, you must include the amount at this question.

This question also applies to any remission of an ATO interest charge. If you claim a deduction for an interest charge you incur in 2023–24 or earlier income years and receive a remission (a partial or full reduction) of that interest charge in 2024–25, you must include the amount of the remission at this question. Similarly, if you're claiming at question **D10** – label **N** a deduction for interest charges you incur during 2024–25, and some or all of it was remitted during 2024–25, you must include the amount of the remission at this question.

You must also include at this question any remissions you received in 2024–25 of goods and services tax (GST) and pay as you go (PAYG) instalment underestimation charges that you have claimed, or can claim, as a deduction.

Assessable balancing adjustment

You must include at this question any assessable balancing adjustment when you stop holding a depreciating asset (for example, when it is sold, lost or destroyed) for which you have claimed a deduction for depreciation or decline in value in previous years. You may be entitled to a deduction if an employee or agent misappropriates some or all of the amount that you receive, or entitled to receive, as a result of you no longer holding the depreciating asset.

For more information, see Guide to depreciating assets 2025.

Gains derived on disposal or redemption of traditional securities

The gains derived on disposal or redemption of traditional securities are assessable under section 26BB of the *Income Tax Assessment Act 1936* (ITAA 1936).

For more information, see **Sale or disposal of company bonds and convertible notes** in You and your shares 2025.

Other allowances and payments from Services Australia

You must include at this question taxable allowances and payments from Services Australia that you haven't already shown at questions **5** or **6**. This includes the activity supplement, farm financial assessment supplement or the farm household allowance relief payment that is paid under the farm household allowance program.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

From the types of income list, work out the category (1, 2, 3 or 4) of the income types you receive.

Types of income: Category 1

- Lump sum payments in arrears (LSPIA), except LSPIA relating to super income streams.
- Foreign exchange gains.
- Benefits or prizes from investment-related lotteries and some game-show winnings.
- Reimbursements of tax-related expenses (not including ATO interest remitted) or election expenses.
- Assessable balancing adjustments when you stop holding a depreciating asset.
- Gains, on the disposal or the redemption of traditional securities, that are assessable under section 26BB of the *ITAA 1936*.

- Work-in-progress amounts assessable under section 15-50 of the *Income Tax Assessment Act 1997*.

Types of income: Category 2 (ATO interest)

Remissions of the ATO interest charge that you can claim or have claimed as a deduction.

Types of income: Category 3 (FHSS)

Assessable FHSS released amounts.

Types of income: Category 4

Any income not in the category 1, 2 or 3 lists.

We use Category 4 income you show at this question and certain amounts of income from some other questions to work out whether you need to pay PAYG instalments and, if so, your instalment rate.

Special professionals

If you're a special professional, the amount you write in category **4** should include the amount you write at step 3 if these amounts aren't elsewhere in the tax return. Don't include any amounts at question **24** – label **V** that you already show at questions **1** or **2**, in your tax return, or **13**, **14** or **15** in your supplementary tax return.

If you haven't shown your taxable professional income (TPI) at other questions in your tax return, you must include it at question **24** – label **V**.

If you include your TPI at question **24** – label **V**, don't claim any deductions you use to work out your TPI at questions **D1** to **D10** or **D11** to **D15** in your tax return.

Completing your tax return – all income categories

If you have only one type of income in a category (other than LSPIA), write a description in the relevant **Type of income category** box at question **24** .

Where you receive LSPIA or more than one type of income from the categories, you must complete a *Schedule of additional information*.

Provide full details of your payments for each category, the amount of LSPIA and the prior income years each LSPIA amount relates to.

In your tax return, print **Additional information** in the relevant **Type of income category** box.

For the *Schedule of additional information:*

- write on a separate sheet of paper
  - the heading **Schedule of additional information – question 24**
  - your full name, address and TFN
  - each income type and amount of income you receive and for which category
  - each lump sum payments in arrears (lump sum E) amount and the income year the payment relates to.
- print **X** in the **Yes** box at **Taxpayer's declaration** – question **2**
- attach the schedule to your tax return.

Step 2

If you receive LSPIA, write the amount of tax withheld from these payments at question **24** – label **E**.

Step 3

If you're a special professional, write the taxable professional income (TPI)you receive at question **24** – label **Z**. Don't show cents. We take this amount into account for income averaging.

Step 4

If you receive assessable FHSS released amounts, write the amount of tax withheld from these payments at question **24** – label **S**.

Step 5

Add up all your category **1** income. Write the total at question **24** – label **Y**. Don't show cents.

Step 6

Add up all your category **2** income (ATO interest). Write the total at question **24** – label **X**.

Step 7

Add up all your category **3** income (assessable FHSS released amount). Write the total at question **24** – label **R**.

Step 8

Add up all your category **4** income, including the amount you wrote at question **24** – label **Z** unless you include it in your answer to questions **1** or **2** in your tax return, or **13**, **14** or **15** in your supplementary tax return. Write this total at question **24** – label **V**. Don't show cents.

If you haven't shown your TPI at other questions in your tax return, you must include it at question **24** – label **V**.

If you include your TPI at question **24** – label **V**, don't claim any deductions you use to work out your TPI at questions **D1** to **D10** or **D11** to **D15** in your tax return.

Example: working out tax payable with income averaging

Kevin has a taxable income of $60,000, including assessable professional income of $45,000. He has deductions of $5,000 that reasonably relate to his assessable professional income (this amount doesn't include gifts) and he has no other deductions. His average TPI over the last 4 years was $9,000.

Kevin's tax payable, before the Medicare levy or tax offsets are taken into account, is $6,688.00. It would have been $8,788.00 (the tax on $60,000) if income averaging hadn't been applied.

The following steps show you how Kevin's tax payable has been worked out

Row	Calculation element	Amount
a	Assessable professional income	$45,000
b	Deductions	$5,000
c	TPI= row **a** – row **b**= $45,000 – $5,000	$40,000

Kevin transfers the amount at row **c** to question **24** – label **Z** in his supplementary tax return and, if he didn't already include any of this amount at questions **1**, **2**, **13**, **14** or **15**, he also writes it at question **24** – label **V** in his supplementary tax return.

ATPI

One-quarter of the sum of Kevin's TPI for the preceding 4 years, not including this income year= $9,000 (d)

Taxable non-professional income

amount of **TAXABLE INCOME OR LOSS** at **$** in his tax return minus the amount shown at question **24** – label **Z** in his supplementary tax return= $60,000 − $40,000= $20,000 (e)

Other income= (d) + (e)= $9,000 + $20,000= $29,000 (f)

Tax on other income at ordinary rates= $1,728 (g)

Above-average special professional income= (c) − (d)= $40,000 − $9,000= $31,000 (h)

Tax on other income plus one-fifth of above-average special professional income= tax on [(f) + 1/5 (h)]= tax on [$29,000 + $6,200]= Tax on $35,200= $2,720 (i)

Tax on above-average special professional income= [(i) − (g)] × 5= [$2,720 − $1,728] × 5= $4,960 (j)

Kevin's tax payable= (g) + (j)= $1,728 + $4,960= $6,688 (k)

Check before moving to the next question

Check that you:

- provide your type of income at the category
- write the total of your other income
- complete and attach your **Schedule of additional information – question 24** to your tax return, if you need to send us one.

Where to go next

- Go to Total supplement income or loss 2025.

- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 23 Forestry managed investment scheme income 2025.

QC 104271

Total supplement income or loss 2025

Complete the total supplement income or loss section in your supplementary tax return.

Published 27 May 2025

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Add up all the income amounts in the right-hand column of questions **13**, **17**, **18**, **19**, **20**, **21**, **22**, **23** and **24** in your supplementary tax return.

Step 2

Add up all the loss amounts, if any, in the right-hand column of questions **13**, **17**, **20** and **21**.

Step 3

Subtract the amount you work out at Step 2 from the total income amount you work out at step 1. Your answer is your total supplement income or loss.

Step 4

Write your answer from Step 3 at **Total supplement income or loss** in your supplementary tax return. Don't show cents. If you make an overall loss, print **L** in the **Loss** box at **Total supplement income or loss**.

Step 5

Transfer this amount from **Total supplement income or loss** to label **I** on page 3 in your tax return. If the amount was a loss, print **L** in the **Loss** box at the right of the amount.

Step 6

Go to Total income or loss 2025 then work through the **Deductions** section. For more information, see Claiming deductions 2025.

Where to go next

- Go to question D11 Deductible amount of UPP of a foreign pension or annuity 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question 24 Other income 2025.

QC 104272

Deduction questions D11–D15 – supplementary tax return 2025

Instructions to help you to complete deduction questions D11 to D15 in your paper supplementary tax return.

Published 27 May 2025

D11 Deductible amount of UPP of a foreign pension or annuity 2025 ›

Complete question D11 to claim a deduction for the undeducted purchase price (UPP) for a foreign pension or annuity.

D12 Personal superannuation contributions 2025

Complete question D12 to claim a deduction for a personal superannuation (super) contribution.

D13 Deduction for project pool 2025

Complete question D13 to claim a deduction for certain capital expenditure you allocate to a project pool.

D14 Forestry managed investment scheme deduction 2025

Complete question D14 to claim a deduction for payments you make to a forestry managed investment scheme (FMIS).

D15 Other deductions not claimable elsewhere in your tax return 2025

Complete question D15 to claim deductions for expenses not claimable at D1 to D14 or elsewhere in your tax return.

Total supplement deductions 2025

Complete the total supplement deductions section in your supplementary tax return.

D11 Deductible amount of UPP of a foreign pension or annuity 2025

Complete question D11 to claim a deduction for the undeducted purchase price (UPP) for a foreign pension or annuity.

Last updated 27 May 2025

Things you need to know

If you show income from a foreign pension or annuity at question **20** – label **D**, you may be entitled to claim a deduction to reduce the taxable amount of the pension or annuity income if it has a undeducted purchase price (UPP). Only some foreign pensions and annuities have a UPP. The UPP is the amount you contribute towards the purchase price of your pension or annuity (your personal contributions).

That part of your annual pension or annuity income that represents a return to you of your personal contributions is free from tax. This tax-free portion is the deductible amount of the UPP, and the calculation usually divides the UPP of your pension or annuity by a life expectancy factor, according to life expectancy statistics.

If you don't receive a foreign pension or annuity that has a deductible amount of UPP, go to question D12 Personal superannuation contributions 2025.

If you already know your deductible amount, go to Completing your supplementary tax return.

Austrian pensions

You can claim a deductible amount if you're entitled to receive an age, premature age, invalid, disability, widowed persons or orphans pension an Austrian super insurance fund pays under one of the following:

- Austrian social insurance acts
- Allgemeines Sozialversicherungsgesetz (ASVG)
- Gewerbliches Sozialversicherungsgesetz (GSVG)

- Bauern-Sozialversicherungsgesetz (BSVG).

Where you have evidence of your actual contributions, actual monthly salary or you have a list of your insurance periods from the Austrian super insurance fund, you'll need to complete a Request for a determination of the deductible amount of UPP of a foreign pension or annuity.

British pensions

If you're entitled to receive a pension from the United Kingdom State Pension (previously the British National Insurance Scheme), you may be entitled to a UPP deduction.

For a category A pension or a category B widows pension, you can calculate your deduction by multiplying your UK State Pension (in Australian dollars) by 8%. If you want to calculate your UPP using the exact method, you'll need to complete a Request for a determination of the deductible amount of UPP of a foreign pension or annuity.

If you're entitled to receive a category C or D pension, you're not entitled to a deductible amount of the UPP.

Dutch pensions

If you're entitled to receive an old age pension, or a widows, widowers or orphans pension from the Sociale Verzekeringsbank (SVB) under the Netherlands social insurance system and you can obtain all the necessary information to determine the deductible amount of your UPP, claim the amount you work out. If you can't determine the deductible amount, you can claim an annual deductible amount equal to 25% of your gross pension payment.

German pensions

If you're entitled to receive a German pension, you'll need to provide a copy of the insurance resume (Versicherungsverlauf) from the pension provider. You'll need to contact the pension provider directly to obtain this information. When you have evidence of your employment history and the salary income you earn at those dates, you'll need to complete a Request for a determination of the deductible amount of UPP of a foreign pension or annuity.

Italian pensions

If you're entitled to receive an Italian government pension, the Italian government authorities will send you an Article 10 letter each year giving you an estimate of the amount of pension income you'll receive, and the amount you contributed towards your pension. If you're unable to work out your deductible amount, you'll need to complete a Request for a determination of the deductible amount of UPP of a foreign pension or annuity.

Pensions from another country

If you're entitled to receive a pension from another country, other than an Austrian, British, Dutch, German or Italian pension, and you think you're able to claim a deductible amount, complete a Request for a determination of the deductible amount of UPP of a foreign pension or annuity.

Completing your supplementary tax return

Write the deductible amount of your UPP at question **D11** – label **Y** in your supplementary tax return.

If you don't know your deductible amount:

- leave question **D11** – label **Y** blank
- complete a Request for a determination of the deductible amount of UPP of a foreign pension or annuity
  - sign it
  - attach it to your tax return
- provide the additional documents we require
- print **X** in the **Yes** box at **Taxpayer's declaration** – question **2** in your tax return.

We will address your request in the form of a private binding ruling (PBR) which is legally binding on the Commissioner. We will process your tax return once we finalise the PBR.

If you need information or assistance with this question, contact us.

Where to go next

- Go to question D12 Personal superannuation contributions 2025.

- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to Total supplement income or loss 2025.

QC 104274

D12 Personal superannuation contributions 2025

Complete question D12 to claim a deduction for a personal superannuation (super) contribution.

Last updated 27 May 2025

Things you need to know

You may be able to claim a deduction for personal super contributions you make to your super fund or RSA provider from your **after-tax** income. For example, from your bank account directly to your super fund.

You **can't** claim a deduction for super contributions your employer pays directly to your super fund or RSA provider from your **before-tax** income such as:

- the compulsory super guarantee
- salary sacrifice amounts
- reportable employer super contributions that show on your annual payment summary.

If you don't make personal super contributions during the income year to a complying super fund or a retirement savings account (RSA), go to question D13 Deduction for project pool 2025.

Before you can claim a deduction for your **after-tax** personal super contributions, you must:

- give your super fund or RSA provider a Notice of intent to claim or vary a deduction for personal super contributions

- receive an acknowledgment from your super fund or RSA provider.

There are other eligibility criteria that you must meet – continue reading.

Eligibility to claim a deduction

You may be able to claim a deduction for personal super contributions you make to a complying super fund or RSA in 2024–25, if:

- you satisfy the work and age restrictions
- you give a valid notice of intent to your super fund or RSA provider, in the approved form, and advise them of the amount you intend to claim as a deduction
- you give the notice of intent on or before the day you lodge your tax return 2025 or 30 June 2026, whichever is earlier
- at the time you give the notice, the super fund or RSA provider still holds the contributions in respect of which you gave the notice; this requirement may not be met if for example, there was a voluntary rollover, or the fund started paying a super income stream
- your super fund or RSA provider acknowledges your valid notice
- your super fund isn't a
  - Commonwealth public sector super scheme with a defined benefit interest
  - constitutionally protected fund or other untaxed fund that wouldn't include the contributions in their assessable income
  - super fund that notifies the Commissioner before the start of the income year that they elect to treat all member contributions to the
    - super fund as non-deductible
    - defined benefit interest within the super fund as non-deductible.

You can't claim a deduction for COVID-19 early release of super amounts. You should consider the broader tax outcomes that apply if you have both:

- make a withdrawal of your super under the COVID-19 early release of super program
- recontribute that withdrawal to your super fund.

You can change an amount previously on a valid notice of intent.

When you can't claim a deduction

You **can't** claim a deduction for personal super contributions if:

- your personal super contributions your super fund or RSA provider doesn't receive the contributions before 1 July 2025 –claim contributions the super fund or RSA provider receives **after** 30 June 2025 as a deduction in 2025–26, even if you post a cheque, or initiating a direct debit before 30 June 2025
- you make the contributions more than 28 days after the end of the month in which you turn 75 years old
- you're under 18 years old on 30 June 2025 and you don't receive any income from activities that result in you being treated as an employee for the purposes of the super guarantee law or from you carrying on a business
- either of the following apply to you
  - you make a contribution that is attributable, either in whole or in part, to a capital gain that you make, and
    - you chose to apply the small business capital gains tax retirement exemption to all or part of that capital gain, and
    - you're under 55 years old just before you make that choice
  - the contribution is attributable, either in whole or in part, to a capital gain, and both
    - a company or trust chose to apply the small business capital gains tax retirement exemption to all or part of that capital gain
    - you're under 55 years old **just before** making the contribution
- you don't provide your super fund or RSA provider with a valid notice of intent to claim a deduction

- you make contributions to a super fund or RSA provider that are attributable to the following super housing measures
  - downsizer contributions
  - re-contributions of amounts released under the first home super saver (FHSS) scheme
- you provide your super fund or RSA provider with a valid notice of intent to claim a deduction in the approved form but are lodging before receiving an acknowledgment of this notice from your super fund or RSA provider.

You may be entitled to a super co-contribution for your personal contributions that you don't claim as a deduction.

Don't include any amount at this question for the purpose of a super co-contribution. We calculate this automatically from information your super fund or RSA provider reports and from other questions in your tax return. For more information, see Superannuation contribution caps and government super contributions.

Personal super contributions

Personal super contributions are amounts you pay to an eligible complying superfund or RSA to provide super benefits for yourself, or for your dependants in the event of your death.

Most super funds are eligible complying super funds. If you're unsure, contact your super fund.

The deduction you claim can reduce your taxable income to nil, but it can't add to or create a loss.

We may also use the deduction you claim in the Income tests 2025 to work out your eligibility for certain tax offsets and government benefits.

If you're 67 years old or older, you can only claim a deduction for personal contributions if you meet certain conditions. for more information on the rules for making personal contributions to your super fund and claiming deductions, see work and age restrictions.

If you're under 18 years old on 30 June 2025 and you make the contribution in 2024–25, you can claim a deduction for your personal super contributions only if you earn income from:

- activities or circumstances that treat you as an employee for super guarantee purposes, such as, salary or wages or other remuneration in return for your personal labour or skills
- carrying on a business.

For more information, see:

- Superannuation Guarantee Ruling SGR 2005/1 *Superannuation guarantee: who is an employee?*
- Taxation Ruling TR 2010/1 *Income tax: superannuation contributions*

Complete this question only if your super fund or RSA provider gives you an acknowledgment of your valid notice which advises them of the amount you intend to claim as a deduction.

Super contributions splitting

Complying super funds and RSA providers may allow you to split your super contributions with your spouse. However, personal super contributions for which you can't claim a deduction for can't be split to your spouse's super account.

If you intend to lodge a notice of intent to claim a deduction for personal super contributions with your super fund or RSA provider, you must do it before you lodge your super contributions splitting application for those contributions.

A super contributions splitting application can only be made to your super fund or RSA provider during either:

- the income year that follows the income year that you make the contributions (such as during 2025–26 for contributions you make in 2024–25), or
- the same income year you make the contributions if your entire benefit is to be rolled over, transferred or cashed before the end of that year.

For more information, see Special circumstances 2025.

Super contribution caps and government super contributions

Amounts that count towards your concessional contributions cap are:

- your personal super contributions that you claim as a deduction
- your employer contributions
- amounts you salary sacrifice into super (these are the reportable employer super contributions and appear on your payment summary, you show them at question **IT2** in your tax return).

The 2024–25 concessional contributions cap is **$30,000**.

You can increase the concessional contributions cap that applies to you when you carry-forward unused concessional contributions amounts from previous income years.

You may have to pay more tax if the following amounts exceed your concessional contributions cap:

- the contributions you claim as a deduction, *plus*
- your employer contributions, *plus*
- your salary-sacrificed contributions (your reportable employer super contributions).

Your personal super contributions that aren't allowed as deductions count towards your non-concessional contributions.

For 2024–25, the annual non-concessional contributions cap is **$120,000** if your total super balance on 30 June 2024 is less than $1.9 million.

You may have to pay more tax if you exceed the non-concessional contributions cap.

For more information, see:

- Non-concessional contributions cap
- Key super rates and thresholds.

You may be entitled to a government super co-contribution on the personal contributions you make for which you **don't** or **can't** claim a deduction.

The super co-contribution is a matching government super contribution for low income earners who make a personal super contribution.

You may be entitled to a low income super tax offset (LISTO) based on:

- your concessional contributions
- your personal super contributions for which a deduction **is** allowed.

The LISTO is a government super contribution (up to a maximum of $500) for low income earners, and it is designed to offset the tax your super fund or RSA provider pays on concessional contributions.

Make sure you provide your TFN to your super fund or RSA provider to ensure you:

- can make a personal contribution
- receive your co-contribution entitlement.

What you need to answer this question

You'll need to provide the following details of the super fund or RSA provider that you make your personal contributions to and that provide you with an acknowledgment of your notice of intent:

- full name of fund
- account number
- fund ABN or TFN.

This information is available in ATO online services or you can contact your super fund or RSA provider.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Did you provide, in the approved form, a valid notice of intent to claim a deduction for personal super contributions to your super fund or RSA provider?

- **Yes** – Go to Step 2.
- **No** – Send this notice to your super fund or RSA provider before you lodge your tax return. You can't claim a deduction for personal super contributions unless you give the notice and receive an acknowledgment from your super fund or RSA provider.

You can download a Notice of intent to claim or vary a deduction for personal super contributions or contact your super fund as they may have their own form you can use.

Step 2

Did you receive an acknowledgment from your super fund or RSA provider that you gave them a valid notice of intent to claim or vary a deduction for personal super contributions?

- **Yes** – Print **X** in the **Yes** box at question **D12 Personal superannuation contributions** in your supplementary tax return. Go to Step 3.
- **No** – Until you receive an acknowledgment from your super fund or RSA provider, you can't claim a deduction for personal super contributions. You may either wait to lodge your tax return until you receive the acknowledgment, or can lodge without claiming the deduction. You will need to request an amendment to your tax return once you receive the acknowledgment. If your super fund or RSA provider rejects your notice or advises that it isn't valid, you can't claim a deduction.

  Go to Where to go next.

Step 3

Are you 18 years old or older on 30 June 2025?

- **Yes** – Go to Step 5.
- **No** – Go to Step 4.

Step 4

Do you receive income from carrying on a business or from activities that results in you being treated as an employee for super guarantee purposes?

- **Yes** – Go to Step 7.
- **No** – You can't claim a deduction for personal super contributions. Go to Where to go next.

Step 5

Did you turn 75 years old before 1 June 2024?

- **Yes** – You can't claim a deduction for personal super contributions for 2024–25. Go to Where to go next.
- **No** – Go to Step 6.

Step 6

Did you turn 75 years old between 1 June 2024 and 31 May 2025 inclusive?

- **Yes** – Add up all the contributions you made between 1 July 2024 and the 28th day of the month following the month in which you turned 75 years old (inclusive) which you're eligible to claim as a deduction. This is the amount you write at question **D12 Personal superannuation contributions** – label **H** in your supplementary tax return. Go to Step 7.
- **No** – Go to Step 7.

Step 7

Add up all your 2024–25 contributions which you're eligible to claim as a deduction. Write the amount at question **D12 Personal superannuation contributions** – label **H** in your supplementary tax return.

Step 8

If you contribute to only one super fund or RSA, print its full name, its ABN or TFN, and your account number in the boxes at question **D12**.

Remember, your super fund or RSA provider must give you an acknowledgment of your valid notice which advises them of the amount you're claiming as a deduction.

If you contribute to more than one super fund or RSA, print 'Additional information' in the **Full name of fund** box at question **D12** and follow the instructions at Schedule of additional information. In the other boxes, provide details of the super fund or RSA provider who you make the largest contribution to and from which you receive an acknowledgment.

You can't write an amount at label **H** that is higher than the amount your super funds or RSA providers acknowledges.

You may vary your valid notice to reduce the amount you state in relation to your contribution (including to nil). You can't vary your valid notice to increase the amount you state in relation to your contribution.

You must notify your super fund or RSA provider of any variation, in the approved form, on or before the day you lodge your tax return for 24–2025 or 30 June 2026, whichever is earlier. Once you provide notification, the limit for amount you write at label **H** for that contribution is amount in the variation.

You may vary your notice after that date if the amount you state doesn't meet the personal super contributions conditions and we disallow an amount of your deduction – for example, if the deduction you claim exceeds your assessable income.

You can only vary your notice after that date by the amount of the deduction that doesn't meet the conditions and that we disallow.

For more information, see:

- Notice of intent to claim or vary a deduction for personal super contributions
- How do I change an amount previously included on a valid notice of intent?.

Schedule of additional information

If you're claiming a deduction at this question, you may need to provide a *Schedule of additional information*.

If you contribute to more than one super fund or RSA, you must provide additional information. On a separate sheet of paper, print:

- **Schedule of additional information – question D12**
- your name and address
- your TFN.

Then, for each super fund or RSA provider you receive an acknowledgment of your notice of intent to claim the deduction, print:

- the full name of the super fund or RSA provider
- the ABN or TFN of the super fund or RSA provider
- your account number
- the amount that you're claiming as a deduction.

Print **X** in the **Yes** box at **Taxpayer's declaration** – question **2** in your tax return. Attach your schedule to your tax return.

If you need more information, contact us.

Check before moving to the next question

Ensure that you:

- keep your notice of intent to claim a deduction and the acknowledgment of your notice from your super fund or RSA provider, as we may ask to see them
- attach to your tax return your *Schedule of additional information – question D12*, if you need to send us one.

Where to go next

- Go to question D13 Deduction for project pool 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question D11 Deductible amount of UPP of a foreign pension or annuity 2025.

QC 104275

D13 Deduction for project pool 2025

Complete question D13 to claim a deduction for certain capital expenditure you allocate to a project pool.

Last updated 27 May 2025

Things you need to know

You may be able to claim a deduction at this question for capital expenditure you allocate to a project pool for a project you:

- operate in 2024–25 for a taxable purpose

- carry on, or propose to carry on, for a taxable purpose which is abandoned, sold or otherwise disposed of in 2024–25, before or after it starts to operate.

If you don't have capital expenditure that directly connects to a project, go to question D14 Forestry managed investment scheme deduction 2025.

You can't claim a deduction at this question for:

- private or domestic expenditure, such as the cost of constructing a driveway at your home
- capital expenditure that directly connects with a project you undertake in carrying on a business.

A **depreciating asset** is an asset that has a limited effective life and can reasonably be expected to decline in value over the time you use it.

A **taxable purpose** is one of the following:

- producing assessable income
- exploration or prospecting
- mining site rehabilitation
- environmental protection activities.

Certain capital expenditure you incur after 30 June 2001, which directly connects with a project that you carry on (or propose to carry on) for a taxable purpose, you can allocate to a project pool and write-off over the 'project life'. The expenditure must not otherwise be deductible or form part of the cost of a depreciating asset you hold or held.

Such capital expenditure, the 'project amount', is expenditure you incur:

- to create or upgrade community infrastructure for a community associated with the project – this expenditure you must pay, not just incur, to be a project amount
- for site preparation for depreciating assets (other than in draining swamp or low-lying land or for clearing land for horticultural plants)
- for feasibility studies or environmental assessments for the project

- to obtain information associated with the project
- in seeking to obtain a right to intellectual property
- for ornamental trees or shrubs.

You allocate these project amounts to a 'project pool', each project has a separate project pool. If you're unsure whether the capital expenditure you incur qualifies as a project amount, see Guide to depreciating assets 2025.

You spread your deduction for project amounts you allocate to a project pool over the project life:

- The project life is the period from when the project starts to operate until when it stops operating.
- The project life isn't determined by how long you intend to carry on the project. Factors outside your control (for example, something inherent in the project such as a legislative or environmental restriction that limits the project's operating period) are relevant to estimating the project life.
- If there is no finite project life, there is no project and therefore no deduction is available under these rules.

You start to deduct amounts for a project pool in the income year when the project starts to operate. So, if you start to operate a project for a taxable purpose in 2024–25, a deduction is available for 2024–25.

If your project operates in 2024–25 for purposes other than taxable purposes, you must reduce the deduction amount by a reasonable amount for the extent to which the project operates for other than taxable purposes.

Some amounts are assessable income that you must show at question 24 Other income 2025. This includes if, in 2024–25, you either:

- recoup an amount of expenditure you allocate to the project pool
- derive a capital amount in relation to a project amount or something on which you expend a project amount.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Did you conduct transactions in a foreign currency for your project in 2024–25?

- **No** – Go to Step 2.
- **Yes** – See Foreign exchange rules, then go to Step 2.

Step 2

Did you abandon, sell or otherwise dispose of your project in 2024–25?

- **No** – Go to Step 3.
- **Yes** – If your abandon, sell or otherwise dispose of your project in 2024–25 (whether or not the project started to operate), you can claim both:
  - a deduction for the 2023–24 closing pool value (if any)
  - any project amounts you allocate to the pool in 2024–25.

You must reduce the deduction to the extent the project operates for a non-taxable purpose during 2024–25. Any amount you receive for the abandonment, sale or other disposal is assessable income you must show at question 24 Other income 2025. Go to Step 4.

Step 3

Use the following **project pool worksheet** to calculate your deduction.

- Work out the deduction on the value of the project pool at 30 June 2025.
  This is the closing pool value for 2023–24 (if any) *plus* the sum of any project amounts allocated to the pool in 2024–25.
- You must estimate the project life in years, including fractions of years.
- The deduction rate at row **d** in the worksheet could be 200% or 150%.
  - Your deduction rate is 200% where your project pool contains only project amounts you incur on or after 10 May 2006, and the project starts to operate on or after that date.
  - Your deduction rate is 150% where your project starts operating before 10 May 2006, or where your project starts to operate on

or after 10 May 2006 but the project pool contains project amounts you incur before that date.

You **can't** use the higher rate if you abandon, sell or otherwise dispose of a project you began before 10 May 2006 and then start operating it again, just so that you can work out deductions at the higher rate.

Worksheet: Project pool deduction

Row	Calculation	Amount
a	Value of project pool at 30 June 2025	$
b	Estimated project life	(in years)
c	Divide row **a** by row **b**.	$
d	Deduction rate	%
e	Multiply row **c** by row **d**.	$
f	Subtract row **e** from row **a**.	$

Your closing pool value is as follows:

- If row **f** is zero or more, your deduction amount for 2024–25 is the amount at row **e** and the closing pool value for 2024–25 is the amount at row **f**.
- If row **f** is less than zero, your deduction amount for 2024–25 is the amount at row **a** (because your deduction amount can't be greater than the value of the project pool) and the closing pool value for 2024–25 is zero.
- If your project operates for purposes other than taxable purposes in 2024–25, your deduction amount for 2024–25 isn't the full amount at row **e** or row **a** (as applicable). Instead, your deduction amount is the amount at row **e** or row **a** as applicable, after you reduce it by a reasonable amount for the extent to which the project operates in 2024–25 for purposes other than taxable purposes.

You'll need the closing pool value for 2024–25 to work out your deduction for project amounts for 2025–26.

Example: project pool deduction (post 9 May 2006)

Row	Calculation	Amount
a	Value of project pool at 30 June 2024	$30,000
b	Estimated project life (in years)	7.5 years
c	Divide row **a** by row **b**	$4,000
d	Deduction rate	200%
e	Multiply row **c** by row **d**	$8,000
f	Subtract row **e** from row **a**	$22,000

Step 4

Write your project pool deduction amount at question **D13** – label **D** in your supplementary tax return.

Foreign exchange rules

The pool value can be subject to adjustments. An adjustment could happen under foreign exchange (forex) rules that apply to transactions you conduct in a foreign currency.

If during 2024–25, you meet or no longer have an obligation to pay in a foreign currency a project amount which you allocate to a project pool, you might derive a gain or incur a loss under the forex rules. If the amount in foreign currency becomes due for payment within 12 months after the time you incur it, usually there is a reduction in the pool value by any such gain (a forex gain) and it will increase by any such loss (a forex loss).

If the forex gain exceeds the pool value, the pool value reduces to zero and the residual gain is assessable income which you should include at question 24. If you have previously elected that this treatment ('the 12-month rule') shouldn't apply, any gain will be assessable and you

should include it at question 24 and any loss will be deductible and you include it at question D15.

Where to go next

- Go to question D14 Forestry managed investment scheme deduction 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question D12 Personal superannuation contributions 2025.

QC 104276

D14 Forestry managed investment scheme deduction 2025

Complete question D14 to claim a deduction for payments you make to a forestry managed investment scheme (FMIS).

Last updated 27 May 2025

Things you need to know

You may be able to claim a deduction at this question for payments you make to a forestry managed investment scheme (FMIS) if you:

- currently hold a forestry interest in an FMIS, or hold a forestry interest in an FMIS during the income year 2024–25
- pay an amount to a forestry manager of an FMIS under a formal agreement.

If you don't make payments to a FMIS, go to question D15 Other deductions not claimable elsewhere in your tax return 2025.

You can only claim a deduction at this question if the forestry manager advises you that the FMIS satisfies the 70% direct forestry expenditure

rule in Division 394 of the *Income Tax Assessment Act 1997*.

If you're an initial participant, you can't claim a deduction if you dispose of your forestry interest in an FMIS within 4 years after the end of the income year that you first make a payment.

However, we will allow the deduction if the disposal occurs because of circumstances outside your control, if you couldn't reasonably foresee the disposal happening when you acquire the interest. Disposals that would generally be outside your control include:

- compulsory acquisition
- insolvency of you or the scheme manager
- cancellation of the interest due to fire, flood or drought.

If you're a subsequent participant, you can't claim a deduction for the amount paid for acquiring your interest. You can only claim a deduction for your ongoing payments.

For more information, see:

- Collapse and restructure of agribusiness managed investment schemes – participant information
- Forestry managed investment schemes (Division 394).

You're an initial participant in an FMIS if:

- you obtain your forestry interest in the FMIS from the forestry manager of the scheme
- your payment to obtain the forestry interest results in the establishment of trees.

You're a subsequent participant if you aren't an initial participant.

A forestry manager of an FMIS is the entity that manages, arranges or promotes the FMIS.

A forestry interest in an FMIS is a right to benefits produced by the scheme (whether the right is actual, prospective or contingent and whether it is enforceable or not).

Participant payments under an FMIS

Claims you can make as an initial or subsequent participant under an FMIS.

Initial participant

You can claim at this question initial and ongoing payments made under an FMIS that you make as an initial participant of the FMIS.

Subsequent participant

You can claim at this question ongoing payments made under an FMIS that you make as a subsequent participant of the FMIS.

Excluded payments

You can't claim a deduction at this question for any of the following:

- payments for borrowing money
- interest and payments in the nature of interest (such as a premium on repayment or redemption of a security, or a discount of a bill or bond)
- payments of stamp duty
- payments of goods and services tax (GST)
- payments that relate to transportation and handling of felled trees after the earliest of the following
  - sale of the trees
  - arrival of the trees at the mill door
  - arrival of the trees at the port
  - arrival of the trees at the place of processing (other than where processing happens in-field)
- payments that relate to processing
- payments that relate to stockpiling (other than in-field stockpiling).

Completing your supplementary tax return

Work out the total amount of your deductible:

- initial and ongoing payments made under an FMIS, if you're an initial participant
- ongoing payments made under an FMIS, if you're a subsequent participant.

Write the amount at question **D14** – label **F** in your supplementary tax return.

Where to go next

- Go to question D15 Other deductions not claimable elsewhere in your tax return 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question D13 Deduction for project pool 2025.

QC 104277

D15 Other deductions not claimable elsewhere in your tax return 2025

Complete question D15 to claim deductions for expenses not claimable at D1 to D14 or elsewhere in your tax return.

Last updated 27 May 2025

Things you need to know

You may be able to claim a deduction for expenses that you haven't been able to claim elsewhere in your tax return.

If you don't have any other expenses that you haven't been able to claim as a deduction at questions **D1** to **D14** or elsewhere in your tax return, go to Total supplement deductions 2025.

You may claim at this question:

- election expenses for local, territory, state or federal candidates
- income protection, sickness and accident insurance premiums
- foreign exchange losses

- expenses relating to income you earn from the sharing economy or other marketplace which you don't derive from carrying on a business or as an employee of the digital platform
- debt deductions you incur in earning assessable income that aren't disallowed under the thin capitalisation rules and didn't claim them elsewhere
- debt deductions you incur in earning certain foreign non-assessable non-exempt income that aren't disallowed under the thin capitalisation rules
- amounts deductible for certain business-related capital expenditure under section 40-880 of the *Income Tax Assessment Act 1997* (ITAA 1997), either
  - over 5 income years relating to a business you carry on through a company or a trust
  - immediately as start-up expenses relating to the structure or the operation of the business that you propose to carry on
- a deduction for the net personal services income (PSI) loss of a personal services entity that relates to your PSI
- certain deductible capital expenditure you didn't claim in full before ceasing a primary production business where a deduction can be claimed in a subsequent year or years
- non-capital losses you incur on the disposal or redemption of a traditional security that are deductible under section 70B of the *Income Tax Assessment Act 1936* (ITAA 1936) – for more information, see **Sale or disposal of company bonds and convertible notes** in You and your shares 2025
- small business pool deductions for depreciating assets of your small business pool that you can't claim in the *Business and professional items schedule 2025* at **P8 Business income and expenses** because you don't carry on a business in 2024–25 (for more information, see Small business pool).
- self-education expenses you incur in doing a course to satisfy the study requirements of a taxable scholarship.

You can't claim deductions for expenses you incur in actively seeking paid work if you receive Youth Allowance or JobSeeker payment as a job seeker.

Election expenses

Election expenses include a candidate's costs of contesting an election at a local, territory, state or federal level of government. A deduction for local government election expenses can't exceed $1,000 for each election you contest, even if you incur the expenditure in more than one income year. Entertainment expenses qualify as deductible election expenses only in very restricted circumstances.

For more information on deductions for election expenses, see Taxation Ruling TR 1999/10 *Income tax and fringe benefits tax: Members of Parliament – allowances, reimbursements, donations and gifts, benefits, deductions and recoupments*.

You must show as income at question **24** in your supplementary tax return a reimbursement in 2024–25 of any election expenses that you claim as a deduction in 2024–25 or a previous year.

Income protection, sickness and accident insurance premiums

You can claim the cost of any premiums you pay for insurance against the loss of your income. You must include any payment you receive under the policy for loss of your income at questions **1**, **2** or **24** in your tax return.

You can't claim a deduction for a premium or any part of a premium which you pay under a policy to compensate you for such things as physical injury. Life insurance, trauma insurance and critical care insurance are some types of policies for which premiums aren't deductible.

You can't claim a deduction for a premium where you take the policy out through your super fund and they deduct the premiums from your super contributions.

Foreign exchange losses

Unless you carry on a business and include all your foreign exchange losses (forex losses) in calculating your business net income or loss at question **15**, you must show your deductible forex losses at this question (except any foreign source forex losses that you include at question **20**). Show any assessable foreign exchange gains (forex gains) at question **24** in your supplementary tax return.

Losses attributable to a fluctuation in a currency exchange rate or to an agreed exchange rate differing from an actual exchange rate are brought to account when they are realised. Losses include when you:

- dispose of either foreign currency, or a right to such currency
- cease to have a right to receive or pay foreign currency
- cease to have an obligation to pay or receive foreign currency.

Some forex losses aren't deductible – for example, forex losses of a private or domestic nature, or those relating to exempt income. In some cases, forex losses on the acquisition of capital or depreciating assets, or on the disposal of capital assets, are also not deductible. In these cases, the losses are integrated into or matched with the tax treatment of the underlying asset.

In some circumstances, you may make an election that affects the realisation or treatment of a forex loss. For more information on the forex measures and how to calculate your forex losses, see Foreign exchange gains and losses.

Expenses relating sharing economy or other marketplaces income

The sharing economy is economic activity through a digital platform (such as a website or an app) where people share assets or services for a fee. Amounts you receive are assessable income, even if you aren't carrying on a business.

Include at this question expenses you incur that relate to income you receive from renting or hiring (sharing) out your assets through a digital platform.

If you own or lease an asset jointly, then you claim your deduction in proportion to your share of ownership.

Car expenses have special deduction rules, which don't apply to other vehicles such as trucks, motorbikes, bicycles, or self-drive recreational vehicles (RVs).

Caravan or RV expenses have special rules for calculating apportionment for income-producing and private use.

Also include at this question expenses you incur that relate to income you receive from providing services or completing tasks through a

digital platform, except income you earn as an employee of a digital platform.

Don't show expenses at this question that relate to:

Income you earn through sharing economy or market place activities where you're carrying on a business; show this amount at **P8 Business income and expenses** in the *Business and professional items schedule 2025*.

- Rental income, such as renting all or part of your home; show this amount at question **21** in your supplementary tax return.
- Employee salary or wages; show this amount at the relevant deduction question **D1**–**D5** in your tax return.

You must apportion your expenses for private use. You can only claim deductions for your expenses to the extent that they relate to your income-producing activities. You may be able to claim fees or commissions a digital platform charges you as a 100% deduction.

Peer-to-peer car sharing – car expenses

If you share your car through a digital platform, you can deduct car expenses that directly relate to the income you receive for sharing out your car. These rules don't apply to other vehicles such as trucks, motorbikes, bicycles or self-drive recreational vehicles.

Car expenses include decline in value, interest, leasing payments, insurance and registration. They can also include service, repair, cleaning and fuel expenses if you incur those expenses under your car sharing agreement. Different agreements require either the car borrower or the car owner to bear the costs of refuelling the car. You're entitled to claim expenses only to the extent that you incur them.

In most cases, you will also use your car for private use. You can only claim deductions for your car expenses to the extent that they relate to your income-producing activities. This means you need to apportion any car expenses between private use and income-producing use.

If you own the car as an individual (or as partner in a partnership that has an individual partner), there are 2 methods of claiming car expenses:

- cents per kilometre method
- logbook method.

Peer-to-peer caravan sharing – apportioning expenses

If you share your caravan or RV and there is also private use during the year, you must apportion your expenses to account for the private use. You can only claim deductions for your expenses to the extent that they relate to your income-producing activities.

Private use includes any use by you, your family, relatives or friends which is free of charge or for a small fee to cover running costs. If you rent or hire out your caravan or RV to family, relatives or friends at below market rates, your deductions are limited up to the amount of the income you receive.

If you purchase or use your caravan or RV mainly for:

- private use – you can only claim deductions that relate to the periods when you actually rent out the caravan or RV, any other time is private use, even if it's available for rent on the platform
- income-producing use – you're entitled to claim deductions for periods when you rent out, or genuinely make available for rent the caravan or RV.

There are multiple factors you need to consider in determining whether your caravan or RV was genuinely available for rent.

Debt deductions

You may claim 'debt deductions' you incur in earning assessable income (for example, foreign source income that you include at question **20** in your supplementary tax return) at this question, if you didn't claim them elsewhere in your tax return.

A 'debt deduction' is, broadly, an expense you incur in obtaining or maintaining a loan or other form of debt finance. Examples include:

- interest
- establishment fees
- legal costs for preparing loan documents
- fees lending institutions charge for drawing on a loan facility.

If you're an Australian resident, you can claim debt deductions you incur in earning certain types of foreign non-assessable non-exempt income that are payments out of attributed controlled foreign company income or attributed foreign investment fund income.

You aren't allowed to claim debt deductions disallowed under the thin capitalisation rules. Thin capitalisation rules may apply if you're either:

- an Australian resident and you (or any associate entities) have certain overseas interests and your debt deductions combined with those of your associate entities is more than $2 million for 2024–25
- a foreign resident with operations or investments in Australia and your debt deductions against Australian assessable income combined with those of your associate entities is more than $2 million for 2024–25.

Special rules apply to deductions for expenses that you incur in borrowing money that you use for producing assessable income. Examples of such expenses include loan establishment fees and legal costs for preparing loan documents. Interest expenses aren't subject to these rules and are deductible in the income year in which you incur them.

If the total borrowing expenses (except interest expenses) you incur in 2024–25 are more than $100, you have to deduct the expenses over the shorter of either:

- the life of the loan
- 5 years from the date you first borrow the money.

If the total of these expenses you incur in 2024–25 is $100 or less, you can deduct them immediately.

Section 40-880 deductions

This section allows you to claim a deduction for certain business-related capital expenditure over 5 income years or immediately in case of some start-up expenses.

Expenditure deductible over 5 income years

Claim a section 40-880 deduction at this question if either:

- you incur the relevant capital expense, and the following apply
  - the expenditure relates to a business that is proposed at the time you incur the expense

  - the business commences by 30 June 2025
  - you're carrying on the business through a company or trust
- you incur the relevant capital expense and the expenditure relates to a business which ceased in a previous income year and you carried on the business through a company or trust.

If you incur relevant section 40-880 expenses, claim the amount in the *Business and professional items schedule 2025* at **P8 Business income and expenses** if the expenses are in relation to both:

- a business which ceases in a previous income year
- you carried on the business as a sole trader or through a partnership.

If this applies to you, then you should lodge your tax return using myTax or a registered tax agent.

If you're unable to use myTax or a registered tax agent, contact us and we'll send you a paper tax return that includes the *Business and professional items schedule 2025*.

Certain start-up expenses

Section 40-880 of the ITAA 1997 allows a taxpayer who isn't in business, or who is a small business entity, to immediately deduct certain start-up expenses relating to the structure or operation of a business that you propose to carry on.

This was extended to medium businesses for expenses incurred from 1 July 2020.

Expenditure is fully deductible in the income year in which you incur it, if:

- you're a small or medium business entity, or you aren't in business during the income year, and
- it relates to a business that you propose to carry on, and
- either
  - you incur the expenses for advice or services relating to the structure or operation of the business

- pay an Australian government agency in relation to setting up the business or establishing its operating structure.

If you incur relevant section 40-880 expenses that don't qualify for immediate deduction and you haven't commenced the business by 30 June 2025, defer your deduction for this amount until the income year in which the business activity commences.

For more information on section 40-880 deductions, see Guide to depreciating assets 2025.

Net PSI loss of a personal services entity that relates to your PSI

There are special rules for the income tax treatment of certain PSI. PSI is income that is mainly a reward for your personal efforts or skills and is generally you or a personal services entity (being a company, partnership or trust) receive the payment.

Where the payment is made to a personal services entity and that entity incurs a PSI loss relating to your PSI, you can claim a deduction for that loss.

For more information on PSI deductions, see Claiming deductions when receiving PSI.

If you need help with these rules, Seek further advice about PSI.

Self-education expenses for study requirements of a taxable scholarship

You may claim at this question expenses you incur in meeting the study requirements of a taxable scholarship. However don't claim these expenses at this question if you're an employee of the provider; claim them at question D4 Work-related self-education expenses 2025.

Examples of expenses you can claim are textbooks, stationery, student union fees, student services and amenities fees, the decline in value of your computer and certain course fees.

You can't claim a deduction for travel from your home to your normal place of education and back.

Use our Self-education expenses calculator to help you work out your deduction.

Don't include at this question

Don't show at this question:

- expenses relating to your work as an employee
- expenses relating to income from carrying on a business as a sole trader (including PSI or as a share trader)
- expenses relating to investment planning and advice involving shares, unit trusts and interest-bearing deposits
- losses from the disposal of shares or real property that are capital in nature.

Other questions deal with these matters.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1: Election expenses

Add up all your deductible election expenses. Write the total amount at question **D15** – label **E** in your supplementary tax return. Don't show cents. If you have no other expenses, go to Check before moving to the next question.

Step 2: Other expenses

Print the type of expense you're claiming in the **Description of claim** box at question **D15**. If you're claiming for more than one type of expense, print 'multiple expenses' in the **Description of claim** box.

Step 3

Add up all the other expenses that you're claiming at this question (excluding election expenses).

Step 4

Write the amount from step **3** at question **D15** – label **J**. Don't show cents.

Check before moving to the next question

Before moving to the next question, in your tax return:

- write the total amount of your deductible election expenses, if any
- print the type of other expenses you're claiming
- write the total amount of all other expenses you're claiming.

Where to go next

- Go to Total supplement deductions 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question D14 Forestry managed investment scheme deduction 2025.

QC 104278

Total supplement deductions 2025

Complete the total supplement deductions section in your supplementary tax return.

Last updated 27 May 2025

Things you need to know

Did you claim any deductions at questions **D11** to **D15**?

- **No** – Go to Step 4.
- **Yes** – Go to Step 1.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Add up all the deduction amounts in the right-hand column of questions **D11** to **D15** in your supplementary tax return.

Step 2

Write the total from step 1 at **Total supplement deductions** in your supplementary tax return.

Step 3

Transfer the amount you wrote at **Total supplement deductions** in your supplementary tax return to label **D** in your tax return.

Step 4

Go to Total deductions 2025, then work through question L1 Tax losses of earlier income years 2025 in your tax return.

Where to go next

- Go to question T3 Superannuation contributions on behalf of your spouse 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question D15 Other deductions not claimable elsewhere in your tax return 2025.

QC 104279

Tax offset questions T3–T9 – supplementary tax return 2025

Instructions to help you to complete tax offset questions T3 to T9 in your paper supplementary tax return.

Published 27 May 2025

T3 Super contributions on behalf of your spouse 2025

Complete question T3 in your supplementary tax return for super contributions you make on your behalf of your spouse.

T4 Zone or overseas forces 2025

Complete question T4 in your supplementary tax return if you can claim a zone or overseas forces tax offset.

T5 Invalid and invalid carer 2025

Complete question T5 in your supplementary tax return where you can to claim an invalid and invalid carer tax offset.

T6 Landcare and water facility 2025

Complete question T6 if you have an unused 'landcare and water facility' tax offset from a previous year.

T7 Early stage venture capital limited partnership 2025

Complete question T7 in the supplementary tax return to claim an early stage venture capital limited partnership offset.

T8 Early stage investor 2025

Complete question T8 in your supplementary tax return to claim the early stage investor tax offset.

T9 Other refundable tax offsets 2025

Complete question T9 in your supplementary tax return to claim other refundable tax offsets

Total supplement tax offsets 2025

Complete the total supplement tax offsets section in your supplementary tax return.

QC 104281

T3 Super contributions on behalf of your spouse 2025

Complete question T3 in your supplementary tax return for super contributions you make on your behalf of your spouse.

Last updated 27 May 2025

Things you need to know

You're eligible for a tax offset of up to $540 in 2024–25, if:

- the total of your spouse's assessable income (excluding any assessable first home super saver (FHSS) released amount), total reportable fringe benefits amounts and reportable employer super contributions is less than $40,000 and the contributions you make on behalf of your spouse aren't deductible to you
- the person is your spouse when you make the contribution
- both you and your spouse are Australian residents when you make the contribution
- you and your spouse aren't living separately and apart on a permanent basis when you make the contributions, and
- your spouse doesn't have either
  - non-concessional contributions totalling more than their non-concessional contributions cap for 2024–25

- a total super balance of $1.9 million or more at 30 June 2024.

If you don't make contributions to a complying super fund or a retirement savings account (RSA) on behalf of your spouse who earns a low income or doesn't work, go to question T4 Zone or overseas forces 2025.

If you have more than one spouse during 2024–25 and you satisfy the conditions for the tax offset for more than one spouse, the tax offset is the lesser of the total of the tax offset entitlements for each spouse, or $540.

For the purposes of this question, your spouse's assessable income is the amount your spouse wrote at **TOTAL INCOME OR LOSS** on page 3 in their tax return, unless they:

- have a distribution from a partnership or trust
- have income or losses from rent or business (including personal services income)
- have a capital gain or foreign source income
- make a deposit into a farm management deposit scheme account
- claim a deductible amount for a foreign pension or annuity at question **D11** in their supplementary tax return.

If any of these apply, contact us for help to work out your spouse's assessable income before completing this question.

Your spouse's reportable fringe benefits amounts and reportable employer super contributions are on their income statements and payment summaries.

We calculate the tax offset as 18% of the lesser of:

- $3,000, reducing this amount by $1 for every $1 that the total of your spouse's assessable income, total reportable fringe benefits amounts and reportable employer super contributions for the year is more than $37,000
- the total of your contributions for your spouse for the year.

You can't claim the tax offset for eligible spouse contributions for super contributions that you make to satisfy your spouse's entitlements under a family law obligation to split super with your spouse.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Write the total of your contributions at question **T3** – label **Contributions paid** in your supplementary tax return.

Step 2

If the total of your spouse's assessable income, total reportable fringe benefits amounts and reportable employer super contributions was $37,000 or less, use Worksheet 1.

If the total of your spouse's assessable income, total reportable fringe benefits amounts and reportable employer super contributions was more than $37,000 but less than $40,000, use Worksheet 2.

Worksheet 1: $37,000 or less

Row	Calculation	Amount
a	Maximum spouse contributions eligible for the tax offset	$3,000
b	Amount of contributions paid	$
c	Write the lesser of row **a** or **b**	$
d	Multiply row **c** by 18 and divide by 100	$

Worksheet 2: More than $37,000 and less than $40,000

Row	Calculation	Amount
a	Maximum spouse contributions eligible for the tax offset	$3,000
b	The total of your spouse's assessable income (excluding any assessable FHSS released amount), total reportable fringe	$

	benefits amounts and reportable employer super contributions	
c	Base amount	$37,000
d	Subtract row **c** from row **b**	$
e	Subtract row **d** from row **a**	$
f	Amount of contributions paid	$
g	Write the lesser of row **e** or row **f**	$
h	Multiply row **g** by 18 and divide by 100	$

Step 3

You work out the tax offset amount using either Worksheet 1 – row **d**, or Worksheet 2 – row **h**. Write this amount at question **T3** – label **A**. Don't show cents.

If you have more than one spouse during the income year, complete steps 1 to 3 for each spouse. Your tax offset is the lesser of either:

- the total of the tax offset you're eligible to for each spouse
- $540.

Write this amount at question **T3** – label **A**. Don't show cents.

Step 4

Make sure you complete **Spouse details – married or de facto** on pages 8–9 in your tax return, include your spouse's:

- taxable income at label **O**
- total reportable fringe benefits amount at labels **R** or **S**
- reportable employer super contributions at label **A**.

To work out your eligibility to this tax offset you use your spouse's assessable income (excluding any assessable FHSS released amount), reportable fringe benefits amounts and reportable employer super contributions.

However, because we use taxable income to calculate many other entitlements, we ask you to record your spouse's taxable income (not assessable income) at **Spouse details – married or de facto**.

Where to go next

- Go to question T4 Zone or overseas forces 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to Total supplement deductions 2025.

QC 104282

T4 Zone or overseas forces 2025

Complete question T4 in your supplementary tax return if you can claim a zone or overseas forces tax offset.

Last updated 27 May 2025

Things you need to know

You may be able to claim this tax offset if you:

- live in a specified remote or isolated area of Australia (not including an offshore oil or gas rig)
- serve in a specified locality overseas as a member of the Australian Defence Force or a United Nations armed force.

If you qualify for both an overseas forces tax offset and a zone tax offset, you can claim only one of them. Claim the one that gives you the higher tax offset.

Zone tax offset

We base your eligibility for the zone tax offset on your usual place of residence. If your usual place of residence wasn't in a zone, you're not eligible for the zone tax offset.

Remote areas are specified as either Zone A or Zone B. There are also locations that are particularly isolated within zones, these are special areas within these zones. If you don't know which zone your area is in, see Australian zone list.

Example: residence not in a remote area

Michael is a maintenance engineer contractor who lives in Brisbane (not a specified zone). He flies to Blackall in Queensland (a Zone B location) where he works in the mining industry.

As Michael's usual place of residence isn't in a zone, he isn't eligible for the zone tax offset.

Example: residence in a remote area

Louise lives in Darwin (a Zone A location). She travels to Kununurra in Western Australia (a Zone A location and special area) for her job in the mining industry.

Louise drives to Kununurra, completes a 14-day shift at the mine, and then drives back to Darwin at the end of her working shift, where she remains for 16 days.

As Louise's usual place of residence is Darwin (Zone A), she is eligible for the zone tax offset for Zone A.

To qualify for the tax offset, your usual place of residence must be in a remote area (not necessarily continuously), for either:

- 183 days or more during 2024–25
- 183 days or more during the period 1 July 2023 to 30 June 2025 (including at least one day in 2024–25) and you didn't claim a zone tax offset in your 2023–24 tax return.

If your usual place of residence is in a zone for less than 183 days in 2024–25, you may still be able to claim a tax offset as long as your usual place of residence is in a zone for a continuous period of less than 5 years after 1 July 2019 and both of the following apply:

- you're unable to claim in the first year because you live there less than 183 days

- the total of the days you live there in the first year and in 2024–25 is 183 or more (the period you live in a zone in 2024–25 must include **1 July 2024**, the first day of the income year).

Example: remote area for a continuous period of less than 5 years

Garry lives in a remote area from 1 March 2020 to 30 September 2024, a continuous period of less than 5 years.

He couldn't claim a zone tax offset for the first year because he was living there for only 122 days. However, he could carry forward these unused days to 2024–25. He now adds the number of days from 1 March 2020 to 30 June 2020 (122 days) and the number of days from 1 July 2024 to 30 September 2024 (92 days). As the total (214 days) is '183 days or more' over those 2 income years, Garry can claim the tax offset in his supplementary tax return 2024–25.

Overseas forces tax offset

You may be eligible for an overseas forces tax offset if you serve in a specified overseas locality as a member of the Australian Defence Force or a United Nations armed force in 2024–25 and income relating to that service isn't specifically exempt from tax. Periods of service for which your income was 'exempt foreign employment income' are excluded in working out your eligibility for the tax offset.

Your employer will be able to advise you whether you serve in a locality that qualifies for the overseas forces tax offset. You can also see which localities qualify for the overseas forces tax offset at Specified overseas localities.

To claim the full tax offset, you must serve in the overseas locality for 183 days or more in 2024–25. If your overseas service is less than 183 days, you may be able to claim part of the tax offset. Unlike the zone tax offset, you can't carry forward any unused days from previous years to make up 183 days.

If you serve in an overseas locality for less than 183 days, you may still be entitled to claim the full overseas forces tax offset if the total of the following is 183 days or more:

- the total number of days you serve in the overseas locality
- *plus* the number of days you serve in one or more zones.

If you serve as a member of the Australian Defence Force, days spent in a zone must be defence force service.

If you don't live in a zone or serve in an overseas force, go to question T5 Invalid and invalid carer 2025.

Completing your supplementary tax return

The zone or overseas forces tax offset is made up of:

- a fixed amount
- a base amount.

The **fixed amount** is a prescribed amount available to all people in the zone or overseas area eligible for the tax offset.

You may be able to include a **base amount** if you either:

- maintain a child under 21 or full-time student under 25
- are entitled to claim the Invalid and invalid carer tax offset.

Your fixed and base amounts are determined by your circumstances.

How to work out your tax offset – simple circumstances

Follow the steps to work out your tax offset.

Step 1

Your tax offset is the amount in table 1, if:

- your usual place of residence is in only one zone or you serve in only one specified overseas locality for at least 183 days
- you're not able to include a base amount as
  - you aren't entitled to claim the invalid and invalid carer tax offset
  - you either don't have a dependent child or student at any time in 2024–25, or if you do have a dependent child or student, their adjusted taxable income (ATI) was equal to or greater than $282 *plus* $28.92 for each week you maintain them.

Table 1: Tax offset amounts

Zone A	Zone B	Special area	Overseas forces
$338	$57	$1,173	$338

Child includes your adopted child, stepchild, ex-nuptial child and child of your spouse.

A student must be full-time at a school, college or university.

If your circumstances are more complex, you can't use table 1. See, How to work out your tax offset – more complex circumstances.

If you receive a remote area allowance from Centrelink or the Department of Veterans' Affairs, you must reduce the amount of your zone tax offset by the amount you receive for this allowance.

Step 2

Write your tax offset amount less any remote area allowance at question **T4 Zone or overseas forces** – label **R** in your supplementary tax return. Don't show cents. Go to, Where to go next.

How to work out your tax offset – more complex circumstances

If your circumstances are more complex work out your base amount, if any, you can use either:

- Zone or overseas forces tax offset calculator
- Working out your total base amount.

Dependent child or student base amount

Work out your base amount for a dependent child or student.

Full-year claim

Your base amount will include the maximum amount in table 2 for each student under 25 years old on 30 June 2025 in full-time education at a school, college or university, and for each child under 21 years on 30 June 2025 who, for the whole of 2024–25:

- is treated as an Australian resident
- is maintained by only you, and
- has an ATI of less than $286.

To calculate the ATI see Adjusted taxable income for you and your dependants 2025 or use the Income tests calculator.

If you don't have any dependent children or students, go to Invalid and invalid carer base amount.

Table 2: Dependant child or student base amount

Dependant	Base amount
Each student under 25 years old	$376
For the oldest non-student child under 21 years old	$376
Other non-student children under 21 years old	$282 for each child

For the meaning of dependant, see Tax time definitions.

If all of these requirements are met, add up the base amount for each child or student and write the total at worksheet 4 – row **a**.

If 2 or more people contribute to the maintenance of a dependent child or student, each person can only claim a proportion of the base amount.

If the requirements are met for only part of the year, or your child's or student's ATI for the period you're claiming this base amount in respect of them was $286 or more, you may be able to claim for a part of the base amount. Read on.

Part-year claim

You can claim only part of the base amount for dependent children or students if either:

- the child or student is treated as an Australian resident for only part of 2024–25

- the student is under 25 years old and in full-time education for only part of 2024–25
- the child or student is maintained by you for only part of 2024–25
- the child is 21 years old at 30 June 2025 and not in full-time education
- the student is 25 years old at 30 June 2025.

Use **worksheet 1** to work out the reduced base amount for each eligible dependent child or student as described in table 2.

Worksheet 1 – Reduced base amount for eligible dependent child or student

Row	Calculation	Amount
a	Maximum base amount for the child or student from table 2.	$
b	Number of days you maintain your child or student and your child or student is an eligible dependant.	days
c	Number of days in 2024–25.	365
d	Divide row **b** by row **c**.	$
e	Multiply row **d** by row **a**.	$

If the ATI of your child or student is less than $286 for the period you're claiming this base amount in respect of them, transfer amount at row **e** above to worksheet 4 – row **b**.

If you have more than one eligible child or student and the ATI of each one is less than $286 for the period you're claiming this base amount in respect of them, work out the amount for each child and student, add up all the amounts and write the total at worksheet 4 – row **b**.

If ATI was $286 or more for the period you maintain them

You can't claim any base amount for your child or student if that child or student has an ATI equal to or greater than either:

- the total of $282 *plus* $28.92 for each week you maintain them for a student under 25 years old or for the oldest child under 21 years old who isn't a student
- the total of $282 *plus* $21.70 for each week you maintain them for any other child under 21 years old who isn't a student.

If your child's or student's ATI for the period you're claiming this base amount in respect of them is $286 or more but less than the limits shown, use **worksheet 2** to work out the base amount.

Worksheet 2 – Base amount where ATI exceeds $282

Row	Calculation	Amount
a	Base amount for the child or student from table 2 or worksheet 1 – row **e** for a part-year claim.	$
b	Your child's or student's ATI for the period you maintain them.	$
c	Income above which the base amount begins to reduce.	$282
d	Subtract row **c** from row **b**.	$
e	Divide row **d** by 4 because your base amount is reduced by $1 for every $4 of ATI over $282. Don't show cents.	$
f	Subtract row **e** from row **a**. Show 0 (zero) if the amount is negative. Don't show cents.	$

Transfer the amount at row **f** above to worksheet 4 – row **c**. If you have more than one eligible child or student, work out the amount for each child or student, add up all the amounts and write the total at worksheet 4 – row **c**.

Sole parent base amount

If you have sole care of a dependent child or student **and** you write an amount of at least $1 in worksheet 4 at rows **a**, **b** or **c** (base amount for

dependent children or students), you may also be eligible for a sole parent base amount.

You can only claim this base amount if you're a sole parent at any time during 2024–25, and either:

- your usual place of residence is in a remote area of Australia
- you serve overseas as a member of the Australian Defence Force.

Sole care means that you alone had full responsibility on a day-to-day basis for the upbringing, welfare and maintenance of a child or student. We don't consider you to have sole care if you're living with a spouse (married or de facto) during the income year unless special circumstances exist.

You will need to use worksheet 3 to calculate a part-year sole parent base amount claim.

Special circumstances

If you have a spouse (married or de facto) at any time during 2024–25, you're entitled to a sole parent base amount only in special circumstances.

Generally, for special circumstances to exist, you must be financially responsible for and have sole care of the dependent child or student, without the support a spouse normally provides.

Examples of situations where special circumstances may arise:

- You're married at any time during 2024–25 but
  - during 2024–25, you then separate from, or are deserted by, your spouse, and
  - for the remainder of 2024–25, you aren't in a de facto relationship.
- Your spouse is in prison for a sentence of at least 12 months.
- Your spouse is medically certified as being permanently mentally incapable of taking part in caring for your child or student.

If you're unsure whether special circumstances apply, contact us.

Shared or joint custody after a relationship breakdown

There are times, after a relationship breakdown, such as a divorce or separation, where both parents share the custody of a child or

student.

If you can show that you have sole care of a dependent child or student for part of the year, you may be able to claim the base amount for that part of the year. This means more than just having access visits with the child or student.

We consider you to have sole care of the child or student for the part of the year up to the day the child turns 21 years old, or the student turns 25 years old if the dependant either:

- isn't receiving full-time education and turns 21 years old during 2024–25
- is a full-time student and turns 25 years old during 2024–25.

You're only entitled to claim the base amount for that part of the year before the birthday.

If you have sole care of a child or student for the whole of 2024–25, write **$1,607** at worksheet 4 – row **d**.

Worksheet 3 – Sole parent base amount, part-year claim

Row	Calculation	Amount
a	Number of days you have sole care of a child or student	days
b	Multiply row **a** by $4.40	$

Transfer the amount at row **b** above to worksheet 4 – row **e**.

Invalid and invalid carer base amount

If you're entitled to a tax offset at question **T5** – label **B**, you're entitled to this base amount.

To work out the base amount you're entitled to claim, you can:

- use our Invalid and invalid carer tax offset calculator
- go to question T5 Invalid and invalid carer 2025 to work it out manually.

Then write the amount you work out above at worksheet 4 – row **f**.

Working out your total base amount

Use **worksheet 4** to work out your total base amount.

Worksheet 4 – Total base amount

Row	Calculation	Amount
a	Dependent children or students, from table 2	$
b	Dependent children or students, from worksheet 1	$
c	Dependent children or students, from worksheet 2	$
d	Sole parent – full year	$
e	Sole parent – part year from worksheet 3	$
f	Amount claimed at question **T5** – label **B**	$
g	Add up all of these amounts	$

The amount at row **g** is your total base amount. Read on.

You use the information from **table 3** below when you complete either worksheet 5 or worksheet 6.

Table 3: Zone fixed amount and percentage of base amount

Zone or area	Fixed amount	Percentage of base amount
Zone A	$338	50%
Zone B	$57	20%

Special area	$1,173	50%
Overseas forces	$338	50%

Final calculation

Use the following information to work out the final calculation for the zone or overseas forces tax offset.

Your usual place of residence is only in one zone or you serve only in specified overseas localities for at least 183 days, go to Category 1.

Multiple locations

Check **table 3**, if both of the following apply:

- your usual place of residence is in more than one zone or special area, or you serve in specified overseas localities
- you're in one of them for 183 days or more.

If the fixed amount for that zone is higher than for the other zones where you are, use that fixed amount and worksheet 5 to work out your tax offset. This will give you the greatest benefit.

Otherwise, go to Category 2.

Example: using a fixed amount for a zone

Neil's usual place of residence is in Zone A for 190 days and in Zone B for 40 days. **table 3** shows that the fixed amount for Zone A is higher than the Zone B amount. Neil uses the Zone A amount because this will give him the greater benefit. He ignores the time that his usual place of residence is in Zone B.

Category 1

Your usual place of residence is only in one zone or you serve only in specified overseas localities for at least 183 days.

Step 1

Complete **worksheet 5** to work out your tax offset for one zone or location.

Worksheet 5: Zone calculation, one zone or location

Row	Calculation	Amount
a	Your fixed amount from table 3.	$
b	Your base amount from worksheet 4 – row **g**.	$
c	Multiply row **b** by the percentage figure from table 3.	$
d	Add rows **a** and **c** If you're claiming an **overseas forces tax offset**, the amount you can claim is row **d**. Go to step 2. If you're claiming a zone tax offset, read on.	$
e	Any remote area allowance you receive.	$
f	Subtract row **e** from row **d** and write the answer at row **f**	$

If the amount at row **f** is more than zero (0), the amount is your **zone tax offset**. Go to step 2.

Step 2

Write your zone or overseas forces tax offset amount at question **T4** – label **R** in your supplementary tax return. Don't show cents. See, Where to go next.

Category 2

Your usual place of residence is in more than one zone, or you either:

- serve in a specified overseas locality for less than 183 days

- serve in a specified overseas locality and you serve in one or more zones for a total of at least 183 days.

You claim for the number of days in each eligible place divided by 183, to a maximum of 183 days for a year. Start with your zone that has the highest fixed amount in table 3. This will give you the greatest benefit.

Example: number of days in an eligible place

Your usual place of residence is in Zone A for 100 days and 120 days in Zone B. You claim 100 ÷ 183 days for Zone A and 83 ÷ 183 days for Zone B.

Example: served in a specified overseas locality

You serve 100 days in a specified overseas locality. You would claim 100 ÷ 183 days.

Example: overseas locality as a member of the defence forces and a zone

You served 100 days in an overseas locality as a member of the defence forces and served a further 83 days or more in a zone. You would claim the full overseas forces tax offset.

Example: served in an overseas locality and your usual place of residence

You served 100 days in an overseas locality and your usual place of residence was in a special area for 185 days. As the special area in table 3 shows the highest fixed amount and you use up the maximum 183 days for this, you would simply claim the full special area amount and ignore the 100 days in an overseas locality.

Step 1

To work out your claim for each zone, special area or overseas locality, use worksheet 6. For help applying the amounts in worksheet 6, see the examples.

Worksheet 6: Zone calculation, more than one zone or location

Row	Calculation	Amount
a	Your fixed amount from table 3.	$
b	Your base amount from worksheet 4 – row **g**.	$
c	Multiply row **b** by the percentage figure from table 3.	$
d	Add row **a** and row **c**.	$
e	Number of days your usual place of residence was in a zone or special area or you served in an overseas locality, to a maximum of 183 days (see examples).	days
f	Multiply row **d** by row **e**	$
g	Divide row **f** by 183. This is the amount you can claim.	$

Step 2

Once you work out the amount you can claim for each place, add up all the amounts and then use worksheet 7 to work out your total tax offset.

Worksheet 7: Total tax offset calculation

Row	Calculation	Amount
a	Total of the amounts you work out for each zone from worksheet 6 – row **g**.	$

	If you're claiming an **overseas forces tax offset**, the amount you can claim is row **a**. Go to step 3. If you're claiming a zone tax offset, read on.	
b	Any remote area allowance you receive.	$
c	Subtract row **b** from row **a**. This is the amount you can claim.	$

If the amount at row **c**, is more than zero (0), the amount is the total of your **zone tax offset**. Go to step 3.

Step 3

Write your zone or overseas forces total tax offset amount at question **T4** – label **R**. Don't show cents.

Where to go next

- Go to question T5 Invalid and invalid carer 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question T3 Superannuation contributions on behalf of your spouse 2025.

QC 104283

T5 Invalid and invalid carer 2025

Complete question T5 in your supplementary tax return where you can to claim an invalid and invalid carer tax offset.

Last updated 27 May 2025

Things you need to know

You can claim a tax offset for an income year if you maintain certain people who are 16 years old or older and who receive particular government payments.

In limited circumstances, the invalid and invalid carer tax offset is available. You can use the Invalid and invalid carer tax offset calculator to answer this question, then write your tax offset amount at question **T5 Invalid and invalid carer** – label **B** in your supplementary tax return. Otherwise, the following questions will establish whether you're eligible for this offset. If you're eligible, you may need to reduce your claim. The worksheets will help you to work out how much you can claim.

If you don't maintain an invalid or invalid carer, go to question T6 Landcare and water facility 2025.

You can only claim one tax offset for each person satisfying these questions during 2024–25.

1. Do you maintain an invalid or invalid carer who is 16 years old or older?

During 2024–25, do you maintain an **invalid** who meets both of the following:

- they are your
  - spouse
  - parent
  - spouse's parent
  - child, 16 years old or older
  - spouse's child, 16 years old or older
  - brother or sister, 16 years old or older
  - spouse's brother or sister, 16 years old or older
- they receive one of the following
  - a disability support pension under the *Social Security Act 1991*
  - a special needs disability support pension under the *Social Security Act 1991*
  - an invalidity service pension under the *Veterans' Entitlement Act 1986*?

During 2024–25, do you maintain an **invalid carer** who meets both of the following conditions:

- they are your
  - spouse
  - parent
  - spouse's parent
- they receive a carer allowance or carer payment under the *Social Security Act 1991* in relation to caring for your
  - spouse's child, 16 years old or older
  - brother or sister, 16 years old or older
  - spouse's brother or sister, 16 years old or older?

During 2024–25, do you maintain an **invalid carer** who meets all of the following conditions:

- they are your
  - spouse
  - parent
  - spouse's parent
- they wholly engage in providing care to your
  - spouse's child, 16 years old or older
  - brother or sister, 16 years old or older
  - spouse's brother or sister, 16 years old or older
- the person receiving care also receives one of the following
  - disability support pension
  - special needs disability support pension
  - invalidity service pension?

For the definition of **child, maintaining another person and spouse**, see Tax time definitions.

2. During 2024–25, is your adjusted taxable income (ATI) more than **$117,194**?

Before you complete this question, you must read Adjusted taxable income for you and your dependants 2025, or you can use the Income tests calculator to work out your ATI.

3. During 2024–25, is the invalid or invalid carer's ATI **$13,482** or more?

If you maintain more than one invalid or carer, you'll need to answer this question for each of them to get your maximum entitlement.

ATI **does** include disability support pensions, carer payments and invalidity service pensions. For a complete list of what to include to work out ATI:

- read Adjusted taxable income for you and your dependants 2025
- use the Income tests calculator to work out the ATI of the person you maintain.

4. During 2024–25, do you have a spouse?

No – Go to What you need to answer this question.

Yes – Read on.

5. During 2024–25, is the invalid or invalid carer you maintain, your spouse?

No – Your ATI plus your spouse's ATI for the period they are your spouse in 2024–25 must be $117,194 or less.

If you had a spouse for less than 365 days in 2024–25, multiply your spouse's ATI for 2024–25 by the number of days they are your spouse during 2024–25, and divide by 365.

Each person's ATI includes any invalidity or disability pension they receive.

If you and your spouse's combined ATI is $117,194 or less, go to What you need to answer this question.

If you and your spouse's combined ATI is more than $117,194, you're not eligible to claim this offset.

Go to, question T6 Landcare and water facility 2025.

Yes – You must consider the Family Tax Benefit Part B.

If either you or your spouse **are eligible for Family Tax Benefit Part B** for the full year, you **aren't** eligible to claim the invalid and invalid carer tax offset.

Go to, question T6 Landcare and water facility 2025.

If you and your spouse **aren't eligible for Family Tax Benefit Part B** for the **full year**, read on.

What you need to answer this question

This section will help you work out how much you can claim.

Write your offset amount at question **T5 Invalid and invalid carer** – label **B** in your supplementary tax return.

If the person you maintain is an invalid, and a carer of an invalid during the income year, claim for the total time that the person is either an invalid or a carer of an invalid.

If you maintain more than one spouse at the same time, you can only claim for the spouse you live with. If you don't live with any of your spouses, or if you live with more than one spouse, you can only claim for the spouse with the lowest tax offset.

Your claim is reduced for any period that you or your spouse are either:

- eligible for family tax benefit (FTB) Part B
- receiving parental leave pay.

Your claim is also reduced for any period during the year that the person you maintain is one of the following:

- under 16 years old
- isn't maintained by you
- isn't an Australian resident
- doesn't receive the relevant pension, allowance or payment.

You can use the Invalid and invalid carer tax offset calculator to answer this question. Write your invalid and invalid carer tax offset at question **T5** – label **B** in your supplementary tax return.

Alternatively, for **each** invalid and invalid carer you maintain:

- follow the steps in the worksheet table under **Completing your supplementary tax return**
- add together the tax offset you work out for each person you maintain to get your maximum entitlement
- write your invalid and invalid carer tax offset total at question **T5** – label **B** in your supplementary tax return.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

If you prefer not to use the Invalid and invalid carer tax offset calculator, then complete the relevant worksheet below. If you maintain more than one invalid or carer, complete the relevant worksheet for each of them to get your maximum entitlement.

Complete **Worksheets 1A** to **1F** to work out your tax offset for your spouse who is an invalid or carer of an invalid.

Complete **Worksheets 2A** and **2B** to work out your tax offset for an invalid or carer of an invalid, who isn't your spouse, for the full income year.

Complete **Worksheets 3A** to **3C** to work out your tax offset for an invalid or carer of an invalid, who isn't your spouse, for part of the income year.

Complete the worksheets below for each invalid and carer of an invalid.

Worksheets 1A to 1F

To work out your tax offset for your spouse who is an invalid or carer of an invalid, use **Worksheet 1A**.

Worksheet 1A

Row	Calculations	Amount

a	Work out the number of days in 2024–25 when your spouse is either: • an invalid • carer of an invalid. Work out the number of days in 2024–25 neither of you: • are eligible for FTB Part B, or • receive parental leave pay. Write this number of days at row **a unless** the number is 365. If so, write $3,300 at Worksheet 1C – row **d** and continue from there.	days
b	Multiply row **a** by $9.04.	$

If you or your spouse are eligible for FTB Part B at a shared-care rate for a period during the year when your spouse was an invalid or cared for an invalid, work through **Worksheet 1B** – row **s** to row **v**.

If you have more than one such period, work through row **s** to row **v** for each period.

Worksheet 1B

Row	Calculations	Amount
s	Number of days that you or your spouse are eligible for FTB Part B at a shared-care rate.	days
t	Multiply row **s** by $9.04.	$
u	Subtract your FTB shared-care percentage from 100%.	%
v	Multiply row **t** by row **u**.	$

Worksheet 1C

Row	Calculations	Amount

c	If you have only one amount at row **v**, write it at row **c**. If you have several amounts at row **v**, add them up and write the total at row **c**.	$
d	Add row **b** and row **c**.	$

If your spouse's ATI (including any invalidity or carer payments) for the claim period is:

- less than $286
  - your tax offset is the amount at row **d**
  - write that amount at **Worksheet 1E** – row **f** and continue from there
- $286 or more
  - work through **Worksheet 1D** – row **w** to row **e**.

Worksheet 1D

Row	Calculations	Amount
w	Your spouse's ATI.	$
y	Subtract $282 from row **w**.	$
z	Divide row **y** by 4 (round the result down to the nearest dollar).	$
e	Write the amount at row **z** at row **e.**	$

Worksheet 1E

Row	Calculations	Amount
f	Subtract row **e** from row **d**. If row **f** is less than $1, you can't claim this tax offset.	$

If another person contributes to maintaining your spouse, complete **Worksheet 1F** – rows **aa** and **bb**. Otherwise, the amount you can claim is at row **f**.

Worksheet 1F

Row	Calculations	Amount
aa	Percentage of your contribution to the maintenance of this invalid or carer.	%
bb	Multiply row **f** by row **aa**.	$

The amount at **Worksheet 1F** – row **bb** is the amount you must use at step 2 for this invalid or carer, instead of the amount you have at **Worksheet 1E** – row **f** for this invalid or carer.

Worksheets 2A and 2B

To work out your offset for an invalid or carer of an invalid, who isn't your spouse, for the whole income year, use **Worksheet 2A**.

If the invalid or carer's ATI (including invalidity or carer payments) is less than $286, write $3,300 at **Worksheet 2A** – row **k**, and continue from there.

If the invalid or carer's ATI (including their invalid or carer payments) is $286 or more, work through **Worksheet 2A** – row **g** to row **k**.

Worksheet 2A

Row	Calculations	Amount
g	If the invalid or carer's ATI (including their invalid or carer payments) is $286 or more, write the amount at row **g**.	$
h	Subtract $282 from row **g**.	$
j	Divide row **h** by 4 (round the result down to the nearest dollar).	$
k	Subtract row **j** from $3,300.	$

	If row **k** is less than $1, you can't claim this tax offset.	

If another person contributes to maintaining your invalid or carer, complete **Worksheet 2B** – rows **aa** and **bb**. Otherwise, the amount you can claim is at row **k**.

Worksheet 2B

Row	Calculations	Amount
aa	Percentage of your contribution to the maintenance of this invalid or carer.	%
bb	Multiply row **k** by row **aa**.	$

The amount at **Worksheet 2B** – row **bb** is the amount you must use at Step 2 for this invalid or carer instead of the amount you have at **Worksheet 2A** – row **k** for this invalid or carer.

Worksheets 3A to 3C

To work out your offset for an invalid or carer of an invalid, who isn't your spouse, for part of the year, use **Worksheet 3A**. – rows **l** and **m**.

Worksheet 3A

Row	Calculations	Amount
l	Number of days that you maintain the invalid or carer.	days
m	Multiply row **l** by $9.04.	$

If the invalid or carer's ATI (including their invalid or carer payments) for the period you maintain them is less than $286, the amount at row **m** is your tax offset. Write it at **Worksheet 3B** – row **r** and continue from there.

If the invalid or carer's ATI (including their invalid or carer payments) is $286 or more, work through **Worksheet 3B** – row **n** to row **r.**

Worksheet 3B

Row	Calculations	Amount
n	If the invalid or carer's ATI (including their invalid or carer payments) is $286 or more, write their ATI for the period at row **n**.	$
p	Subtract $282 from row **n**.	$
q	Divide row **p** by 4 (round the result down to the nearest dollar).	$
r	Subtract row **q** from row **m**. If row **r** is less than $1, you can't claim this tax offset.	$

If another person contributes to maintaining your invalid or carer, complete **Worksheet 3C** – rows **aa** and **bb**. Otherwise, the amount you can claim is at row **r**.

Worksheet 3C

Row	Calculations	Amount
aa	Percentage of your contribution to the maintenance of this invalid or carer.	%
bb	Multiply row **r** by row **aa**.	$

The amount at **Worksheet 3C** – row **bb** is the amount you must use at step 2 for this invalid or carer instead of the amount you have at **Worksheet 3B** – row **r** for this invalid or carer.

Step 2

Add up the amounts that you have for each invalid and carer.

The total is your invalid and invalid carer tax offset.

Step 3

Write your invalid and invalid carer tax offset at question **T5 Invalid or invalid carer** – label **B** in your supplementary tax return.

You must complete income test questions **IT1** to **IT8** in your tax return.

If you have a spouse, you must also complete Spouse details – married or de facto in your tax return.

Where to go next

- Go to question T6 Landcare and water facility 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question T4 Zone or overseas forces 2025.

QC 104284

T6 Landcare and water facility 2025

Complete question T6 if you have an unused 'landcare and water facility' tax offset from a previous year.

Last updated 27 May 2025

Things you need to know

This question only applies if your tax liabilities from earlier years haven't absorbed all of the excess or unused landcare and water facility tax offset available to you. The amount of your excess or unused tax offset shows on your notice of assessment or amended notice of assessment for the year ending 30 June 2024.

There is no limit on the number of years you can carry forward any balance of landcare and water facility tax offset.

If you don't have an unused landcare and water facility tax offset from an earlier year that you can use this year, go to question T7 Early stage venture capital limited partnership 2025.

Unused net exempt income

Any unused landcare and water facility tax offset that you carry forward from the earlier year may need to be adjusted for any net exempt income. For an explanation of exempt income, see Amounts that you don't pay tax on 2025.

If you don't have any unused net exempt income, go to Completing your supplementary tax return.

The landcare and water facility tax offset you carry forward from an earlier year is reduced by $0.30 for every dollar of unused net exempt income, if you had taxable income for that year. Unused net exempt income is any net exempt income left after deducting any tax losses of earlier income years from that year's net exempt income.

If you have unused net exempt income and are unsure how to calculate the landcare and water facility tax offset you carry forward from an earlier year, contact us. Otherwise, read on.

What you need to answer this question

You'll need your notice of assessment or amended notice of assessment for the income year ending 30 June 2024.

Completing your supplementary tax return

Write the amount of landcare and water facility tax offset you carry forward at question **T6** – label **T** in your supplementary tax return.

Where to go next

- Go to question T7 Early stage venture capital limited partnership 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question T5 Invalid and invalid carer 2025.

QC 104285

T7 Early stage venture capital limited partnership 2025

Complete question T7 in the supplementary tax return to claim an early stage venture capital limited partnership offset.

Last updated 31 July 2025

Things you need to know

You may be able to claim the early stage venture capital limited partnership (ESVCLP) tax offset if one or both of the following applies:

- you're entitled to the ESVCLP tax offset in 2024–25
- you have an amount of unused ESVCLP tax offset you carry forward from an earlier year.

If don't have an early stage venture capital limited partnership tax offset to claim, go to question T8 Early stage investor 2025.

Work out your tax offset

Your 2024–25 ESVCLP tax offset is the sum of the tax offsets you work out using your contributions to the ESVCLP either:

- as a limited partner of the ESVCLP
- through a partnership or a trust.

The ESVCLP must have become unconditionally registered on or after 7 December 2015.

If you're a limited partner of an ESVCLP, your amount of the tax offset for each contribution in the ESVCLP is 10% of the lesser of the following:

- your total contribution to the ESVCLP during 2024–25 (certain exclusions apply)
- your share (your interest in the entire capital of the ESVCLP at the end of 2024–25) of the sum of eligible venture capital investments

made by the ESVCLP during the period from the start of 2024–25 and ending 2 months after the end of 2024–25.

Work out your amount of the ESVCLP tax offset by referring to ESVCLP tax incentives and concessions.

If you're a partner in a partnership or a beneficiary of a trust that contributes to an ESVCLP, you may be entitled to an amount of ESVCLP tax offset. The partnership or the trustee of the trust must provide you with written notification to allow you to work out your share of the tax offset. If you don't have a written notification, contact the partnership or the trustee.

This tax offset is non-refundable, however you can carry it forward if it isn't fully utilised in 2024–25. Any amount of unused tax offset available to carry forward will show on your notice of assessment for the year ended 30 June 2025.

Work out the tax offset amount you carry forward from a previous year

Your notice of assessment or amended notice of assessment for the year ended 30 June 2024 should show if you have any unused ESVCLP tax offset that you carry forward to 2024–25.

Do you have an amount of unused ESVCLP tax offset on your notice of assessment or amended notice of assessment for the year ended 30 June 2024?

- **No** – Go to Completing your supplementary tax return.
- **Yes** – Read on.

The unused ESVCLP tax offset you carry forward from the previous year may need to be adjusted for any net exempt income. For an explanation of exempt income, see Amounts that you don't pay tax on 2025.

The unused ESVCLP tax offset you carry forward from a previous year is reduced by $0.30 for every dollar of unused net exempt income, if you have taxable income for that year. Unused net exempt income is any net exempt income left after deducting any tax losses of earlier income years from that year's net exempt income.

For more information on ESVCLPs, see Venture capital and early stage venture capital limited partnerships.

If you have unused net exempt income and are unsure how to calculate the ESVCLP tax offset carried forward from a previous year, contact us. Otherwise, read on.

Completing your supplementary tax return

Write your 2024–25 tax offset at question **T7** – label **K**. Don't show cents.

Write the amount of unused ESVCLP tax offset you carry forward from 2023–24, reduced by any net exempt income, at question **T7** – label **M**. Don't show cents.

Where to go next

- Go to question T8 Early stage investor 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question T6 Landcare and water facility 2025.

QC 104286

T8 Early stage investor 2025

Complete question T8 in your supplementary tax return to claim the early stage investor tax offset.

Last updated 27 May 2025

Things you need to know

You may be able to claim the early stage investor tax offset, if one or both of the following apply:

- you're entitled to the early stage investor tax offset in 2024–25
- you have an amount of unused early stage investor tax offset you carry forward from a previous year.

If you don't have an early stage investor tax offset you carry forward or you're not entitled to claim this tax offset, go to question T9 Other refundable tax offsets 2025.

To qualify for this tax offset you (the investor) and the early stage innovation company need to satisfy the requirements.

For more information on the early stage investor tax offset and the requirements to qualify, see Qualifying for the tax incentives.

If you acquire your investment through a financing arrangement, to ensure you qualify for the offset, see Taxpayer Alert TA 2024/1 *Early stage investor tax offset claimed using circular financing arrangements*.

The maximum tax offset (including current year and amounts you carry forward from a prior income year) that you, and your affiliates combined, can claim in 2024–25 is $200,000.

If you're a partner in a partnership or a beneficiary of a trust that invests in an early stage innovation company during 2024–25, you may be entitled to an early stage investor tax offset. The partnership or the trustee of the trust must provide you with written notification of your entitlement to the early stage investor tax offset. If the partnership or the trustee don't provide written notification, contact them.

This tax offset is non-refundable, however you can carry it forward if you don't fully utilise it in 2024–25. Any amount of unused tax offset that you're able to carry forward will show on your notice of assessment for the year ended 30 June 2025.

Work out the tax offset you carry forward from a previous year

Your notice of assessment or amended notice of assessment for the year ended 30 June 2024 should show if you have any unused early stage investor tax offset that you carry forward to 2024–25.

Do you have an amount of unused early stage investor tax offset on your notice of assessment or amended notice of assessment for the year ended 30 June 2024?

- **No** – Go to Working out your 2024–25 tax offset.
- **Yes** – Read on.

The unused early stage investor tax offset you carry forward from the previous year may need to be adjusted for any net exempt income. For an explanation of exempt income, see Amounts that you don't pay tax on 2025.

The unused early stage investor tax offset carried forward from a previous year is reduced by $0.30 for every dollar of unused net exempt income, if you have taxable income for that year. Unused net exempt income is any net exempt income left after deducting any tax losses of earlier income years from that year's net exempt income.

If you have unused net exempt income and are unsure how to calculate the early stage investor tax offset you carry forward from a previous year, contact us. Otherwise, read on.

The amount of your unused early stage investor tax offset will help you to complete Step 5 when working out your tax offset.

Working out your tax offset for 2024–25

Follow the steps to work out your tax offset for 2024–25.

Step 1

Work out the total amount you pay for eligible shares in all early stage innovation companies in 2024–25.

If you don't meet the requirements of the 'sophisticated investor' test for at least one of your 2024–25 investments in an early stage innovation company, your step 1 amount must not exceed $50,000.

If you're not a sophisticated investor and your step 1 amount exceeds $50,000 you **can't claim** this tax offset.

Step 2

Multiply the amount from step 1 by 20%.

Step 3

Identify your entitlements to any early stage investor tax offsets as a beneficiary of a trust or a partner in a partnership that invests in an early stage innovation company during 2024–25.

Step 4

Add together the amounts from step 2 and step 3.

Step 5

Subtract from $200,000 the amount (if any) of unused early stage investor tax offset you carry forward that you calculate in Work out the tax offset you carry forward from a previous year.

Step 6

If the step 4 amount is equal to or less than the amount you work out at step 5, then the step 4 amount is your tax offset for 2024–25.

If the step 4 amount is greater than the step 5 amount, then the step 5 amount is your tax offset for 2024–25.

Your tax offset 2024–25 amount may need to be further reduced if any of your affiliates are entitled to the early stage investor tax offset (whether for investments they make in 2024–25 or carry forward from 2023–24).

The maximum tax offset (including current year and amounts you carry forward from prior years) that you, and your affiliates combined, can claim in 2024–25 is $200,000.

Example: calculating your current year tax offset if you have an amount of tax offset you carry forward from the previous year

Alex carries forward early stage investor tax offset of $60,000 from 2023–24.

In 2024–25, Alex invests $500,000 in eligible shares in one early stage innovation company, and $250,000 in another. Alex meets the requirements of the sophisticated investor test for the investments. The tax payable on Alex's taxable income (before applying tax offsets) is $180,000. Alex has no other tax offsets and no exempt income.

The amount to record at question **T8** – label **O** is $60,000. Alex calculates the amount to report at question **T8** – label **L** as:

Step 1: The total amount Alex pays for eligible shares in early stage innovation companies in 2024–25 = $750,000 ($500,000 + $250,000).

Step 2: Multiply the step 1 amount ($750,000) by 20% = $150,000.

Step 3: Nil – Alex has no other early stage investor entitlements through trusts or partnerships.

Step 4: Alex adds the amounts from steps 2 and 3. The result is $150,000.

Step 5: Alex subtracts the amount at question **T8** – label **O** ($60,000) from $200,000. The result is $140,000.

Step 6: As the step 4 amount ($150,000) is greater than the amount you work out in step 5 ($140,000), Alex writes $140,000 at question **T8** – label **L**.

Alex can claim an early stage investor tax offset equal to the sum of the question **T8** – labels **L** and **O** amounts ($60,000 + $140,000, totalling $200,000). Although the amount Alex carries forward tax offset from 2023–24 of $60,000 and the current year tax offset of $150,000 (step 4 amount) equal $210,000, Alex's total tax offset is capped at $200,000 for 2024–25. The unused excess of $10,000 can't be carried forward to 2025–26.

As Alex's entitlement to the tax offset ($200,000) is greater than the gross tax payable on taxable income ($180,000), the unused portion of the tax offset ($20,000) may be carried forward to future years.

Completing your supplementary tax return

Write the result from Step 6 at question **T8** – label **L**. Don't show cents.

Write the amount of unused early stage investor tax offset to carry forward from the previous year, reduced by any net exempt income, at question **T8** – label **O**. Don't show cents.

Where to go next

- Go to question T9 Other refundable tax offsets 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question T7 Early stage venture capital limited partnership 2025.

QC 104287

T9 Other refundable tax offsets 2025

Complete question T9 in your supplementary tax return to claim other refundable tax offsets.

Last updated 27 May 2025

Things you need to know

You can claim the following as other refundable tax offsets:

- tax the trustee of a special disability trust pays where you're the principal beneficiary
- exploration credits.

You'll need to add up all your tax offset amounts before writing the total in your supplementary tax return.

If don't have any other refundable tax offsets to claim, go to Total supplement tax offsets 2025.

Part A

Are you the principal beneficiary of a special disability trust entitled to a tax offset for tax the trustee pays?

- **No** – Go to Part B.
- **Yes** – Read on.

If the trustee of the special disability trust lodges a tax return and pays tax on the net income of the trust, you're entitled to claim the amount of the tax the trustee pays as a refundable tax offset.

For more information, see Reporting the income of a special disability trust.

Part B

Do you receive exploration credits?

- **No** – Go to Completing your supplementary tax return.
- **Yes** – Read on.

You may be entitled to a tax offset for exploration credits you receive during the income year if you're an Australian resident for the whole of the income year.

The amount of the tax offset is the total value of exploration credits you receive in the income year. However, special rules may apply where you receive exploration credits from a partnership or a trust.

For more information, see Junior Minerals Exploration Incentive.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Add up your other refundable tax offset amounts at this question. Write the total at question **T9** – label **P**. Don't show cents.

Step 2

Complete the **Code** box at question **T9** – label **P** as follows, if you claim:

- only a tax offset as the principal beneficiary of a special disability trust under Part **A**, print **S** in the **Code** box.
- only a tax offset for exploration credits under Part **B**, print **E** in the **Code** box.
- both tax offsets, print **M** in the **Code** box.

Where to go next

- Go to Total supplement tax offsets 2025.
- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to question T8 Early stage investor 2025.

QC 104288

Total supplement tax offsets 2025

Complete the total supplement tax offsets section in your supplementary tax return.

Published 27 May 2025

Things you need to know

If you claim any tax offsets at questions **T3**, **T4**, **T5**, **T6**, **T7**, **T8** and **T9**, you need to complete **Total supplement tax offsets**.

If you don't claim any tax offsets at questions **T3**, **T4**, **T5**, **T6**, **T7**, **T8** and **T9**, go to Total tax offsets 2025.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Add up all the tax offset amounts in the right-hand column of questions **T3**, **T4**, **T5**, **T6**, **T7**, **T8** and **T9** in your supplementary tax return.

Step 2

Write the amount from step 1 at **Total supplement tax offsets** in your supplementary tax return. Don't show cents.

Step 3

Transfer the amount you wrote at **Total supplement tax offsets** to label **T** in your tax return.

Where to go next

- Go to question A5 Amount on which family trust distribution tax has been paid 2025.

- Return to main menu Individual tax return instructions 2025.

Go back to question T9 Other refundable tax offsets 2025.

QC 104289

A5 Amount you paid family trust distribution tax on 2025

Complete question A5 if you receive a distribution on which family trust distribution tax has been paid.

Published 27 May 2025

Things you need to know

Family trust distribution tax is payable on any distribution made to a person outside a ‘family group’ by either:

- a trust which elects to be a family trust
- a trust, partnership or company that made an interposed entity election to be in the 'family group' of a family trust.

You don't include in your assessable income any part of a distribution to you on which family trust distribution tax has already been paid, and which would otherwise be assessable income.

However, to work out your liability for the Medicare levy surcharge, we:

- take into account any part of a distribution to you on which family trust distribution tax has already been paid (that would otherwise have been assessable income)
- reduce this by any expenses that would have been deductible against it.

This is the amount that you need to show at this question.

Example: family trust distribution

During 2024–25 the Jones family trust distributed $1,000 to Anne-Marie. The 'family trust election' of the Jones family trust was in force when the distribution was made. Because Anne-Marie isn't a member of the family group of the Jones family trust, family trust distribution tax is payable on the $1,000 distribution. This was paid in full by the trustee of the Jones family trust from other funds.

As a result, Anne-Marie doesn't include the $1,000 distribution in her assessable income. Instead, Anne-Marie shows at this question the $1,000 distribution from the Jones family trust less any expenses that would have been deductible against it.

However, had family trust distribution tax **not** been paid, Anne-Marie would have had to include in her assessable income any part of the distribution that was assessable under the normal income tax rules.

In 2024–25, does a trust, partnership or company distribute anything to you on which family trust distribution tax is paid?

- **No** – Go to Where to go next.
- **Yes** – Read on.

Distributions on which family trust distribution tax is payable include:

- income and property from a trust or partnership
- dividends and property from a company
- the use of property the trust, partnership or company owns for which you haven't paid full value, such as the free use of a holiday house.

The trust, partnership or company should be able to tell you if family trust distribution tax is paid on a distribution to you.

Completing your supplementary tax return

To complete this question, follow the steps.

Step 1

Add up the amounts or value of all distributions to you by a trust, partnership or company during 2024–25 that would be assessable income if family trust distribution tax had not been paid.

Step 2

Add up any expenses that you would be able to claim as a deduction if the distributions had been included in your assessable income.

Step 3

Subtract your Step 2 amount, if any, from your Step 1 amount.

Step 4

Write the amount from Step 3 at question **A5** – label **X** in your supplementary tax return. Don't show cents.

If the amount from step 3 is zero or less than zero, don't write anything.

Where to go next

- Return to main menu Individual supplementary tax return instructions 2025.
- Go back to Total supplement tax offsets 2025.

QC 104290

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