



Attribution managed investment trust member annual (AMMA) statement and standard distribution statement (SDS): guidance notes for trustees 2018

Guide to prepare an AMMA statement or an SDS to report tax information to resident individuals investors for 2017–18.

3 July 2018

What's new?

Introduction

What's new?

Streaming election

From 2017–18, the 2011 trust streaming rules for franked distributions and capital gains apply to all MITs that are not AMITs, rather than only those MITs that have elected to apply the rules.

Introduction

The 2018 Attribution MIT member annual (AMMA) statement and the standard distribution statement (SDS) are the formats recommended by:

- the Australian Taxation Office (ATO)
- the Financial Services Council (FSC)
- the Australian Custodial Services Association (ACSA)

for disclosure by trusts of tax information to resident and non-resident individuals to complete 2018 tax returns, relevant schedules and other requirements.

This document provides guidance to prepare either an AMMA statement or an SDS. Parts A and B are applicable to both statements however there are two part Cs to cater for the distinct requirements of an AMMA statement and SDS.

Trustees of AMITs must give an AMMA statement within three months of the end of the income year to each person who was a member of an AMIT during the income year. Trustees of non-AMITs should use the SDS for their investors.

Both formats align with the *Annual investment income report* (AIIR). From 2016–17, all MITs are expected to lodge an AIIR.

The 2018 statements that appear below include example amounts that are referred to in the guidance notes that follow it.

From 2017–18, trustees of MITs must apply the 2011 trust streaming provisions. Prior to 2017–18, the rules applied only if MITs (and other trusts that were treated as MITs) made a choice that they apply. The streaming rules do not apply to AMITs, which are subject to the separate attribution rules that enable capital gains and franked distributions to be attributed to members for tax purposes.

Abbreviations and glossary

AIIR	annual investment income report
AMIT	attribution managed investment trust
AMMA statement	attribution managed investment trust member annual statement
CFC	controlled foreign company
CGT	capital gains tax

FITO	foreign income tax offset
IDPS	investor directed portfolio services
ITAA 1936	<i>Income Tax Assessment Act 1936</i>
ITAA 1997	<i>Income Tax Assessment Act 1997</i>
member component	for an AMIT, the investor's member component of a particular character - that is, the amount of the AMIT's determined trust component of that character that is attributable to the member in accordance with section 276-210 of the ITAA 1997
MIT	managed investment trust
net income	<ul style="list-style-type: none"> • for an AMIT - the sum of the trust components of a character relating to assessable income as worked out under sections 276-265 and 276-270 of the ITAA 1997 • for a non-AMIT - the net income of the trust calculated under section 95 of the ITAA 1936
non-AMIT	a trust other than an AMIT
SDS	standard distribution statement
share	<p>This will depend on the context, however, generally a reference to an investor's share will be:</p> <ul style="list-style-type: none"> • for an AMIT – the investor's member component(s) of a particular character • for a non-AMIT – the investor's share of the net income (or of a component of the net income) determined in accordance with Division 6 and/or Division 6E of Part III of the ITAA 1936
TAP	taxable Australian property

TFN	tax file number
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Purpose

These notes are designed to help those preparing AMMA statements or SDS understand the basis for the format of the 2018 statement, and the rationale behind the various items disclosed on the statement.

The information contained in these notes and the sample AMMA statement or SDS is not an ATO interpretive advice or a statement of the ATO's interpretation of the taxation laws relevant to the items included in the statement and the notes, their character and calculation of their amounts. These notes do not set out a precedential ATO view.

For more information, see ATO advice and guidance.

Basis of an AMMA statement or SDS



Basic structure



AMMA statement or SDS



Guidance notes



55186

Basis of an AMMA statement or SDS

3 July 2018



What's new?

Introduction

The standard format attempts to deal with most but not necessarily all of the potential scenarios that a trustee may encounter.

The 2018 format attempts to show most of the potential information that a trustee may need to record to enable an individual investor to prepare their tax return. Contact AllRspecificationupdate@ato.gov.au if in these instructions:

- you find omissions
- the trust's circumstances are outside those shown in the standard format
- you have other feedback.

Trustees may personalise the format, for example by adding headers and deleting lines that are not relevant to their particular circumstances. Trustees may also add additional information to assist investors in understanding the AMMA statement or SDS. The format is based on the standard information needs of a resident individual and other investors in a trust operated by the funds management industry. It also allows trusts to provide statements to non-residents. Additional information specific for other entities such as bare trusts or investor directed portfolio service (IDPS) like entities has been included in Attachment 1.

The presentation of information in the statement addresses the circumstances of investors who hold membership interests on capital account and for whom distributions labelled as 'non-assessable amounts' are not themselves statutory income or ordinary income of the investor. The investor is assumed to be a resident for the whole of the year of income, unless otherwise indicated.

The statement aligns with the information provided on the AIIR which is used to pre-fill information into the tax returns of resident individuals. Attachment 2 shows the AIIR reference number for those fields on the statement that map to the AIIR.

Trustees that have not elected into the new AMIT regime should apply relevant provisions of the income tax law in preparing the taxation information in the SDS, in particular Division 6 of Part III of the *Income Tax Assessment Act 1936* (ITAA 1936).

Trustees of MITs that have elected into the AMIT regime should apply relevant provisions of the income tax law in preparing the taxation information in the AMMA statement. In particular, these trustees should consider the requirements of Subdivision 276-H of the *Income Tax Assessment Act 1997* (ITAA 1997) concerning AMMA statements to ensure they comply with those requirements. Depending on the particular circumstances of the AMIT, the trustee may need to include additional information in the AMMA statement.

Trustees should carefully consider the specific facts and circumstances (including any specific legislative regime) applying to the trust, especially in determining the nature of distribution components or member components for attribution purposes, for example, the tax character of gains on assets advised to investors.

The 2018 statements are current as at 26 June 2018.

55186

Basic structure

3 July 2018

What's new?

Introduction

The basic structure consists of three parts.

A trustee of a multi-class AMIT may make a choice under section 276-20 of the ITAA 1997 to treat each class as a separate AMIT for the purposes of Division 276 (multi-class election). Where a multi-class election has been made, the trustee must give an AMMA statement to the investor advising of their member components arising from the attribution of the trust components related to each class, and the name of the AMIT class should be identified preceding part A or in the accompanying letter.

Part A provides information about the details that the trust holds about the investor. It provides a prompt for investors to update their details if

they are incorrect.

Part B explains where amounts that are attributed or distributed are taken into account in completing the *Tax return for individuals (supplementary section) 2018* for resident individual investors. Contact AIIRspecificationupdate@ato.gov.au if there are other items that should be included.

For resident individual investors with straightforward circumstances, the information in part B should be sufficient to complete their tax return.

Part C explains the components for an attribution (AMMA statement) or a distribution (SDS). Two part Cs have been provided as requirements for an AMMA statement differ from those of a SDS. The table format is optional.

The numbers inserted by way of example in part C may not always seem to reconcile. Where this happens, the guidance notes provide an explanation for the variation. If this arises in an AMMA statement or SDS prepared for an investor, the trustee may insert a note to explain the variation to avoid unnecessary enquiries from investors.

Some trustees provide a **consolidated statement** for investors. Where a trustee provides a consolidated statement, the trustee must also provide a separate statement for each trust listed in the consolidated statement that aligns with what is reported in the AIIR. For example, where there are three AIIRs for three trusts, there will be three statements included in the consolidated statement showing the components of the distribution or amounts that are attributed for each trust.

55186

AMMA statement or SDS

3 July 2018



What's new?

2018 tax return information for the year ended 30 June 2018

The information shown on this statement is also reported to the ATO.

Part A: Your details

Name	[Name]
You are recorded as being a	[Individual / Company / Partnership / Superannuation fund / Trustee / Custodian / Nominee]
Australian Tax file number (TFN)	[Provided / Not Provided]
Country of residence at 30 June 2018	[Country]
Tax identification number (TIN) for country of residence	[Provided / Not Provided]

If any of the above is incorrect, update your details with your trustee.

Part B: Summary of 2018 tax return (supplementary section) items

The labels at items on the tax return are the white letters inside coloured boxes on the *Tax return for individuals (supplementary section) 2018*. If you use a tax agent to prepare your income tax return, advise them to rely on the information in **this** statement rather than information that may be displayed in the tax agent's pre-filling service. If you use myTax to prepare your income tax return, check the pre-filled amounts against this statement and correct them if necessary. Depending on your particular circumstances, you may also need to use the data in part C (for example, if you are required to perform additional calculations or if you are a non-resident individual).

Part B – Table 1 – Partnerships and trusts – Primary production

Item	Amount	Tax return label
Share of net income from trusts		13L
Other deductions relating to amounts shown at share of net income from trusts		13X

Part B – Table 2 – Partnership and trusts – Non-primary production

Item	Amount	Tax return label
Share of net income from trusts, less net capital gains, foreign income and franked distributions	90	13U
Franked distributions from trusts	100	13C
Other deductions relating to non-primary production income	4	13Y

Part B – Table 3 – Share of credits from income and tax offsets

Item	Amount	Tax return label
Share of credit for tax withheld where Australian business number not quoted		13P

Share of franking credit from franked dividends	30.00	13Q
Share of credit for tax file number amounts withheld from interest, dividends and unit trust distributions		13R
Share of credit for tax paid by trustee		13S
Share of credit for foreign resident withholding amounts (excluding capital gains)		13A
Share of National rental affordability scheme tax offset		13B
Early stage venture capital limited partnership		T8K
Early stage investor		T9L
Other refundable tax offsets: Exploration credits		T11 (code E)

Part B – Table 4 – Capital gains

Item	Amount	Tax return label
Net capital gain	155	18A
Total current year capital gains	225	18H
Credit for foreign resident capital gains withholding amounts		18X

Part B – Table 5 – Foreign entities

Item	Amount	Tax return label
CFC income		19K

Transferor trust income		19B
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Part B – Table 6 – Foreign source income and foreign assets or property

Item	Amount	Tax return label
Assessable foreign source income	220	20E
Net foreign rent		20R
Other net foreign source income	220	20M
Australian franking credits from a New Zealand franking company		20F
Foreign income tax offset *	38.00	20O

Part B – Table 7 – Other income

Item	Amount	Tax return label
Category 3 rebates		24V

* To work out your foreign income tax offset (FITO) entitlement, see **20 Foreign source income and foreign assets or property** or the **Guide to foreign income tax offset rules 2018**.

Part C AMMA: Components of an attribution

Part C – Table 1 – Australian income

Item	Cash distribution*	Tax paid or Franking credit (grossed up)	Attribution
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Interest	30		40
Dividends	60		35
Dividends: unfranked amount declared to be CFI	60		60
Dividends: unfranked amount not declared to be CFI			
Dividends: less LIC capital gain deduction			-25
Other assessable Australian income see note	15		15
Non-primary production income (A)	105		90
Dividends: Franked amount (Franked distributions) (X)	70	30.00	100

Note: This may include management fees, rent and royalties. If royalties are present then they need to be shown separately for the benefit of flow through entities who may have to distribute to non-residents. This could be done by having a line for 'royalties' and a line for 'other'.

Part C – Table 2 – Capital gains

Capital gains	Cash distribution*	Foreign tax paid**	Attribution	Tax return label
Capital gains discount: Taxable Australian property	70		70	
Capital gains discount - Non-Taxable Australian property				
Capital gains other - Taxable Australian property	85		85	
Capital gains other - Non-Taxable Australian property				
Net capital gain	155		155	18
AMIT CGT gross up amount			70	
Other capital gains distribution	70			
Total current year	225		225	18

capital gains (B)				
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Part C – Table 3 – Foreign income

Foreign income	Cash distribution*	Foreign tax paid** or Franking credit	Attribution	Tax payable
Other net foreign source income	182	38.00	220	20
Net foreign rent				
Assessable foreign source income	182	38.00	220	
Australian franking credits from a New Zealand franking company				
CFC income				
Transferor trust income				
Total foreign income (C)	182	38.00	220	

Part C – Table 4 – Tax offsets

Tax offsets	Amount	Tax return label
Franking credit tax offset	30.00	13Q
Foreign income tax offset	38.00	200
Total tax offsets (D)	68.00	

Part C – Table 5 – Other non-assessable amounts and cost base details

Other non-assessable amounts	Cash distribution	Attribution/Amount	Other amount
Net exempt income			
Non-assessable non-exempt amount (E) #	25	25	
Other non-attributable amounts ***			
Gross cash distribution (G)#	607		607
AMIT cost base net amount – excess (decrease) ***			15
AMIT cost base net amount –			-

shortfall (increase) ***			
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Part C – Table 6 – Other amounts deducted from trust distributions

Other amounts deducted from trust distribution	Cash amount	Tax return label
TFN amounts withheld		13R
Other expenses	-4	13Y
Credit for foreign resident capital gains withholding amounts		18X
Other income Category 3: Rebates		24V
Net cash distribution	603	

Part C – Table 7 – Non-resident reporting. Fields that may be included in tables 1 to 6 are also shown.

Non-resident reporting	Attribution/Amount	Tax paid	Tax return label
Table 1 – Interest exempt from withholding			
Table 6 – Non-resident withholding amount	100	4.00	
Table 6 – Non-resident member ss 276-105(2)(a) or (b)			

assessable amount			
Table 6 – Non-resident member ss 276-105(2)(c) assessable amount			
Table 6 – Managed investment trust fund payments	240	36.00	
Deemed payment – Dividend	0		
Deemed payment – Interest	10	1.00	
Deemed payment – Royalties			
Deemed payment – Fund payment			

* The Cash distribution column in **tables 1, 2, and 3** is shown because some investors have requested it. Trustees can either disclose the cash distribution of each individual component or choose to only disclose the total gross cash distribution at **table 5**.

** The tax offset is available to non-residents only in circumstances where the foreign income distributed to the non-resident is included in their assessable income in Australia.

*** Other non-attributable amounts are cash distributions and other entitlements from an AMIT that exceed the attribution amount, to the extent they are not already shown in other tables. These broadly correspond to amounts that, for a non-AMIT, are categorised, for example, as tax free and tax deferred amounts (including returns of capital), and are reflected in the calculation of the AMIT cost base net

amount - excess (decrease) or shortfall (increase) shown in **table 5**. It does not include Other capital gains distributions which are shown at **table 2**.

(E) and (G) are used in the calculation of the AMIT cost base net amount - excess (decrease) or shortfall (increase) amount. See guidance note 16 for more information.

Part C SDS: Components of a distribution

Part C – Table 1: Australian income

Australian income	Cash distribution	Tax paid or franking credit	Taxable amount	Tax retur label
Interest	40		40	
Dividends	60		35	
Dividends: unfranked amount declared to be CFI	60		60	
Dividends: unfranked amount not declared to be CFI				
Dividends: less LIC capital gain deduction			-25	
Other assessable Australian income: – royalties	15		15	

Less other allowable trust deductions				
Non-primary production income (A)	115		90	
Dividends: Franked amount (Franked distributions) (X)	70	30.00	100	13C/1

Part C – Table 2 – Capital gains

Capital gains	Cash distribution	Foreign tax paid*	Taxable amount	Tax return label
Capital gains discount – Taxable Australian property	70		70	
Capital gains discount – Non-taxable Australian property				
Capital gains other – Taxable Australian property	85		85	
Capital gains other – Non-				

taxable Australian property				
Net capital gain	155		155	18A
CGT concession amount	70		0	
Total current year capital gains (B)	225		225	18H

Part C – Table 3 – Foreign income

Foreign income	Cash distribution	Foreign tax paid*	Taxable amount	Tax return label
Other net foreign source income	182	38.00	220	20M/20
Net foreign rent				20
Assessable foreign source income	182	38.00	220	20
Australian franking credits from a New Zealand franking company				20
CFC				19

income				
Transferor trust income				19
Total foreign income (C)	182	38.00	220	

Part C – Table 4 – Tax offsets

Tax offsets	Amount	Tax return label
Franking credit tax offset	30.00	13Q
Foreign income tax offset	38.00	200
Total tax offsets (D)	68.00	

Part C – Table 5 – Other non-assessable amounts

Other non-assessable amounts	Cash distribution	Amount	Tax return label
Net exempt income			
Non-assessable non-exempt amount	25		
Tax free amounts			
Tax deferred amounts	15		
Gross cash distribution	632		

Part C – Table 6 – Other amounts deducted from trust distributions

Other amounts deducted from trust distribution	Cash distribution	Tax return label
TFN amounts withheld		13R
Other expenses	-4	13Y
Credit for foreign resident capital gains withholding amounts		18X
Other income Category 3: Rebates		24V
Net cash distribution	628	

Part C – Table 7 – Non-resident reporting. Fields that may be included in tables 1 to 6 are also shown

Non-resident reporting	Cash distribution	Tax paid	Taxable amount	Tax return label
Table 1 – Interest exempt from withholding				
Table 6 – Non-resident withholding amount	100	4.00		
Table 6 – Non-resident beneficiary ss 98(3)				

assessable amounts				
Table 6 – Non-resident beneficiary ss 98(4) assessable amounts				
Table 6 – Managed investment trust fund payments	240	36.00		

* The tax offset is available to non-residents only in circumstances where the foreign income distributed to the non-resident is included in their assessable income in Australia.

55186

Guidance notes

3 July 2018

What's new?

Introduction

Part A: Your Details

Part A provides the investor with their details as recorded by an AMIT or a non-AMIT and reported in the AIIR. It prompts the investor to let the trust know if there is an error.

1. Name

Full name of investor

2. You are recorded as being a

Provide the entity type as recorded by the trust. If joint account holders, record the entity that represents each investor. For example, J & A Citizen are both individual joint account holders, record as an individual.

3. Tax file number (TFN)

Select **Provided** or **Not Provided**. There is no requirement to include a TFN.

4. Country of residence as at 30/6/2018

Provide country of residence as at 30 June 2018 if known or if Australia leave blank.

5. Tax identification number (TIN) for country of residence

Select **Provided** or **Not Provided** if country of residence as at 30/06/2018 is populated. Leave blank if country of residence is Australia.

Part B: Summary of 2018 tax return items

Most items are self-explanatory. Items that have raised questions are discussed below. Both the AMMA statement and the SDS recommended formats must align with the AIRR as the labels in the tax return will be pre-filled according to what is reported in the corresponding fields in the AIRR. A list of these can be found in Attachment 2.

- Only the amounts at **13P, 13Q, 13R, 13S, 13A, 13B** and **200** are to include cents.
- Income amounts are net of expenses.
- An AMIT attribution amount cannot be a negative.
- A non-AMIT amount can only be a negative at **13L, 13U, 20R** or **20M**.

1. U item 13: Non-primary production - Share of non-primary production income less net capital gains, foreign income and franked distributions

C item 13: Non-primary production - Franked distributions from trusts

The components of these items are set out in part C. At these items investors include their share of Australian sourced non-primary production income and franked distributions (including their share of franking credits) included in the net income of the trust (or, for an AMIT, their member components of those characters).

Include an unfranked dividend paid out of conduit foreign income in **Dividends: unfranked amount declared to be CFI**, which forms part of the non-primary production income.

An investor's share of the net income of the trust that is attributable to net capital gains and foreign income (or, for an AMIT, their member components of those characters) is not shown here.

AMMA statement - the share of franking credits included in the **Franked distributions from trusts** component will be the **Franking credits (grossed-up)** amount (shown in part C) and may not equal the amount at **Q item 13 Share of franking credit from franked dividends**. This may arise where the **Franking credits (grossed-up)** amount is reduced by deductions of the AMIT, however investors may be entitled to a tax offset equal to the full amount of their **Share of the franking credit from franked dividends**.

2. Y item 13: Other deductions relating to non-primary production income

At this item investors show the total of deductible expenses they incurred during 2017–18 in relation to the distributions.

Deductions allowable to the trustees that are taken into account in the net income calculations (or, for an AMIT, the calculation of the trust components) are not shown at this item.

3. Q item 13: Share of franking credit from franked dividends

At this item investors show their share of franking credits from franked distributions relevant to determining their entitlement to a tax offset.

AMMA statement - the investor may be entitled to an offset equal to the full amount of their **Share of the franking credit from franked dividends** and therefore the amount shown here may not equal the **Franking credits (grossed-up)** amount shown in part C where deductions have been allocated to the franking credit amount included in the **Franked distributions from trusts** component.

4. R item 13: Share of credit for tax file number amounts withheld from interest, dividends and unit trust distributions

At this item investors show their share of any credit for TFN amounts withheld from interest, dividends and unit trust distributions paid or payable, in accordance with sections 12-140 and 12-145 of Schedule 1 to the *Taxation Administration Act 1953*.

5. H item 18: Total current year capital gains

A item 18: Net capital gain

Investors need to include the amount of any tax paid on capital gains, for example, foreign tax on foreign net capital gains. An individual investor who has capital losses will not simply be able to transfer the net capital gain amount from part B to their tax return. Trustees may wish to refer investors in these circumstances to the **Guide to capital gains tax 2018 (NAT 4151)** or **Personal investors guide to capital gains tax 2018 (NAT 4152)**, or provide details in their own explanatory material.

Some trusts complete this with a note where the investor has sold membership interests during the year to say this amount attaches to the distribution and is in addition to the capital gain attaching to the sale. Some trusts provide the capital gain attaching to the sale separately.

6. E item 20: Assessable foreign source income

M item 20: Other net foreign source income

R item 20: Net foreign rent

The amount at **E** must be greater than or equal to the sum of the amounts at **M** and **R**.

7. O item 20: Foreign income tax offset

For many small investors the \$1,000 *de minimis* rule will apply and they will not need to do any calculations to work out their FITO entitlement. However, as the trustee won't know if an investor can use the *de minimis* rule, trustees may wish to refer investors to the **Guide to foreign income tax offset rules 2018**.

If a trustee has paid foreign income tax on income or capital gains to overseas tax authorities, then the trustee needs to provide the following additional information in case the investor has to calculate their FITO entitlement:

- the foreign tax paid on capital gains included in the investor's distribution or attributed amount. The amount allowable as a FITO to

the individual investor may be reduced if their own capital losses are offset against these amounts.

- the foreign tax paid on other foreign source income included in the investor's distribution or attributed amount.
- the foreign tax paid on non-assessable non-exempt income, namely attributed income under section 23AI of the ITAA 1936 and attributed foreign investment fund income under section 23AK of the ITAA 1936.

Part C: Components of an attribution (AMMA statement) or a distribution (SDS)

8. Australian income

These details provide a break up of:

- **U item 13 Non-primary production – Share of net income from trusts less capital gains, foreign income and franked distributions**
- **C item 13 Non-primary production – Franked distributions from trusts.**

The information is necessary for those investors who use the *Application for refund of franking credits for individuals 2018* (NAT 4098) and *Refund of franking credits instructions and application for individuals 2018* (NAT 4105).

LIC capital gain deduction - If a listed investment company (LIC) pays a dividend that includes a LIC capital gain amount, the shareholder may be entitled to an income tax deduction for the part of the dividend attributable to that amount. If a shareholder in a LIC is a trust, a beneficiary of that trust has no share of the attributable part, however the trustee can deduct 50% of the attributable part in calculating the net income of the trust. Trustees may choose to disclose the amount of the dividend attributable to a LIC capital gain for information only.

AMMA statement - Dividends: Franked amount (Franked distributions) is the amount after the allocation of deductions to the **Franked dividend** and **Franking credits (grossed-up)**, if applicable. **Franking credits (grossed up)** may be less than the tax offset available to the investor where the **Franking credit (grossed up)** amount has been reduced by deductions. Show the amount of **Share**

of franking credit from franked dividends in part B at **Franking credit tax offset** at **Table 4 - Tax offsets**.

9. Capital gains discount - Taxable Australian property

Capital gains discount - Non-taxable Australian property

If the trust's capital gain has been reduced by the 50% discount, show the part of the discount capital gain (for example, after applying the CGT discount) that is included in the investor's share of net income (or, for an AMIT, their member components of those characters).

10. Capital gains other – Taxable Australian property

Capital gains other – Non-taxable Australian property

These items show the part of the capital gain included in the investor's share of net income (or, for an AMIT, their member components of those characters) where the trustee has not applied the discount method.

These four capital gains items (**Capital gains discount** and **Capital gains other**), which are required to allow an investor to make choices about the order in which capital losses are applied against capital gains, form part of the calculation of the **Net capital gain**, and are also relevant for investors preparing CGT schedules.

11. Net capital gain

This item is the sum of the Attribution column (**AMMA statement**) / Taxable amount column (SDS) of **Table 2 - Capital gains** and represents the total net capital gain included in the investor's share of net income (or, for an AMIT, their member components of those characters). In our example, this is \$155, which is taken into account at **A item 18** on the *Tax return for individuals (supplementary section) 2018* in part B.

Where the individual investor has no current year capital losses or unapplied prior year net capital losses, this figure can be used directly to complete **A item 18**. If the investor has current year capital losses or unapplied prior year net capital losses that can be applied against their share of these capital gains, they would need to refer to the *Guide to capital gains tax 2018* (NAT 4151) or *Personal investors guide to capital gains tax 2018* (NAT 4152).

12. AMIT CGT gross up amount (AMMA statement)

CGT concession amount (SDS)

AMMA statement - the **AMIT CGT gross up amount** is the additional amount treated as capital gains of members under ss 276-85(3) and (4) of the ITAA 1997, and included in the AMIT cost base increase amount under s104-107E(4) of the ITAA 1997. This amount should be equal to the sum of the Attribution column for **Capital gains discount - Taxable Australian property** and **Capital gains discount - Non-taxable Australian property**. This amount is shown in the Attribution column at **Table 2- Capital gains** to reconcile the total current year capital gains amount to be shown at **18H** on the individual tax return. Do not include any amount in the Cash distribution column.

AMMA statement - Other capital gains distribution is shown in the Cash distribution column to represent the total amount of cash distributed in relation to all capital gains, other than amounts already shown in the Cash distribution columns in **Table 2 - Capital gains**. This need not be equal to the **AMIT CGT gross up amount**.

SDS - the **CGT concession amount** (non-AMIT) is identified as the amount referred to in subsection 104-71(4) of the ITAA 1997, including CGT discount amounts paid to the investor. Frozen indexation amounts paid to the investor should not be shown as CGT concession amounts on the distribution statement. Show this amount in the Cash distribution column. Do not include the **CGT concession amount** in the Taxable amount column.

A trustee must provide its members with the information needed to determine cost base adjustments. For instance, to enable a non-AMIT investing in an AMIT to provide its investors with the necessary information to determine their **E4** cost base adjustments, trustees of AMITs should consider providing additional information in the AMMA statement in relation to capital gain amounts they distribute. This could include, for example, the extent to which an underlying discount capital gain is reflected in a payment to the non-AMIT.

13. Total current year capital gains

This item represents the total amount of capital gains attributed (AMMA statement) or included in the investor's share of the capital gains (SDS) and includes the grossed up amount of the gains at **Capital gains discount – Taxable Australian property** and **Capital gains discount – Non-taxable Australian property** in the Attribution (AMMA statement) or Taxable amount (SDS) column. The total amount of capital gains distributed (cash) should be shown in the Cash distribution column.

14. Foreign income

Capital gains made by Australian residents from foreign sources are not assessable foreign income and should not be shown in this section of part C but in the capital gains section of part C.

Other net foreign source income includes income derived from foreign sources including dividend, interest, royalties, any other foreign source income and foreign tax paid on those amounts. Foreign rental income can be included at **Net foreign rent**.

Assessable foreign source income includes the amounts reported at **Other net foreign source income** and **Net foreign rent**.

Complete these fields exactly as you would report them in the corresponding fields in the AIRR.

15. Tax offsets (AMMA statement)

These are the offsets that may be available to be claimed by the investor. The labels and amounts shown will help the investor to complete their tax return. Where the investor's circumstances are relatively straightforward, they may be able to use these amounts directly, however some investors may require additional information to determine their tax offset entitlement. **Table 4** does not include all tax offsets that may be available to the investor and the trustee should add any other applicable tax offsets.

Depending on the particular tax offset, the trustee may also need to include additional information on the AMMA statement to reflect the character of the member components attributed to the investor, as the character should generally reflect the amount that gives rise to the tax offset. For example, for a **Foreign income tax offset**, the character of the member component will be the 'foreign income tax paid that counts towards a tax offset under Division 770' (see, for example, section 276-335 of the ITAA 1997).

Franking credit tax offset is the total amount of the franking credits available to the investor to claim as a tax offset. This amount may be greater than the **franking credits (grossed up)** amount shown at **Table 1 - Australian income**.

Foreign income tax offset is the maximum amount available to the investor to claim.

16. Other non-assessable amounts

Net exempt income is the investor's share of the net exempt income of the trust as per section 36-20 of the ITAA 1997. Investors may be required to adjust either the cost base or reduced cost base of their membership interests for this amount. The nature of the adjustment will depend on whether the trust is an AMIT or a non-AMIT.

Non-assessable non-exempt amount is the investor's share of the amounts referred to in section 6-23 of the ITAA 1997. AMIT investors are required to adjust the cost base and reduced cost base of their membership interests for this amount.

Other non-attributable amounts (AMMA statement) are cash distributions and other entitlements from an AMIT that exceed the attribution amount, to the extent they are not already shown in other tables. These broadly correspond to amounts that, for a non-AMIT, are categorised (for example, as the tax free amounts and tax deferred amounts, including returns of capital, and are reflected in the calculation of the AMIT cost base net amount). It does not include **Other capital gains distributions** shown at **Table 2 - Capital gains**.

Tax free amounts (SDS) are amounts referred to in subsection 104-71(3) of the ITAA 1997. Investors are required to reduce the reduced cost base of their membership interests by these amounts but not their cost base. These amounts now only include:

- infrastructure borrowing amounts under section 159GZZZZE
- exempt income arising from shares in a pooled development fund under sections 124ZM, and 124ZN of the ITAA 1936, and
- certain amounts relating to an investment in an early stage venture capital limited partnership.

Tax deferred amounts (SDS) are amounts referred to in subsection 104-70(1) note 2 of the ITAA 1997. Investors are required to reduce both the cost base and reduced cost base of their membership interests by these amounts. Building allowance amounts paid on or after 1 July 2001 are now treated as tax deferred amounts.

Gross cash distribution includes all cash distributions as well as other non-cash entitlements that the investor may have, such as an entitlement to additional membership interests.

AMIT cost base net amount (AMMA statement)

Under Subdivision 276-H of ITAA 1997 trustees of AMITs are required to state their reasonable estimate of this amount on the AMMA

statement for the income year. The trustees may need to include additional fields to separately report the AMIT cost base net amount in respect of each of the investor's membership interests. The investor's actual AMIT cost base net amount may differ as a result of the investor's particular circumstances.

Tax free amounts and **Tax deferred amounts** are not used by the investor to calculate their cost base or reduced cost base adjustment, but are generally reflected in the calculations for the AMIT cost base net amount. They may be reflected in **Other non-attributable amounts**.

AMIT cost base net amount - excess (decrease) (AMMA statement)

There will be an **AMIT cost base net amount - excess** where the AMIT cost base reduction amount exceeds the AMIT cost base increase amount. The investor must reduce the cost base and reduced cost base of their membership interests in the AMIT by the **AMIT cost base net amount - excess (decrease)**.

A capital gain may also arise if the investor's **AMIT cost base net amount - excess (decrease)** is greater than their cost base in the membership interests.

AMIT cost base net amount - shortfall (increase) (AMMA statement)

There will be an **AMIT cost base net amount - shortfall (increase)** where the AMIT cost base reduction amount falls short of the AMIT cost base increase amount. The investor must increase the cost base and reduced cost base of their membership interests in the AMIT by the **AMIT cost base net amount - shortfall (increase)**.

There is no requirement to provide the AMIT cost base reduction amount or the AMIT cost base increase amount in working out the AMIT cost base net amount (excess or shortfall) but trustees may choose to do so.

The AMIT cost base reduction amount is the sum of Gross cash distribution (G) and Total tax offsets (D).

AMIT cost base increase amount is the sum of amounts in the Attribution column in the:

- Australian income table at (A), (X)
- Capital gains table at (B)
- Foreign income table at (C)

- Other non-assessable amounts and cost base details table at (E).

17. Other amounts deducted from trust distributions

TFN amounts withheld

This item allows the cash amount to be reconciled in part C.

Other expenses

This item allows the cash amount to be reconciled in part C. This is used for expenses incurred by investors (for example, management fees) and **not** deductions allowable to the trustee that are taken into account in the net income calculation.

Only the deductible expenses component of this amount should feed through to part B, Y item **13**.

The **Credit for foreign resident capital gains withholding amounts** allows the cash amount to be reconciled in part C. Write at this label the amount of the entitlement to a share of a credit that is recorded at label **18X**. For more information about foreign resident capital gains withholding, see **Capital gains withholding: Impacts on foreign and Australian residents**.

Non-resident reporting

Additional information specific to non-residents has been included for trusts that provide statements to non-residents. Relevant fields indicate which table they should be shown in. The example numbers used in the **Table 7 – Non-resident reporting** may not reconcile with the example numbers in the rest of part C because those numbers relate to a resident investor. The rest of part C would need to be reworked for the numbers to reconcile for a non-resident.

Show:

- **Interest exempt from withholding** in **Table 1** and include it in the calculation of **Non-primary production income**.
- Total dividend, interest and royalties **non-resident withholding amount** in **Table 6**
- **Managed investment trust fund payments** in **Table 6** and include the fund payments for both actual and deemed payments
- **Deemed payments** for interest, dividends, royalties and fund payments separately in **Table 7** however trustees may choose to show an aggregate total for deemed interest, dividends and royalties. Show deemed fund payments separately.

18. 'Please retain this statement for income tax purposes'

The inclusion of this wording in the AMMA statement or SDS exempts the trustee from the requirement to include the words 'Payment summary' on the statement where TFN amounts have been withheld from the investment. Our position on this and other PAYG withholding payer issues was provided to the FSC on 21 December 2001.

Footnotes

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55186

Footnotes

3 July 2018

- What's new?
- Introduction

If part B is varied then part C may also need to be varied.

Attachment 1

Additional fields that may be used by bare trusts, IDPS-like entities only. It allows entities to report income that is not sourced from a trust.

Tax return for individuals – Gross interest

Item	Amount	Tax return label
Gross interest		10L
Tax file number amount withheld		10M

from gross interest		
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Tax return for individuals – Dividends

Item	Amount	Tax return label
Unfranked amount		11S
- Not declared to be CFI		
- Declared to be CFI		
Franked amount		11T
Franking credit		11U
Tax file number amount withheld from dividends		11V

Tax return for individuals – Dividend deductions

Item	Amount	Tax return label
Dividend deductions*		D8H

Tax return for individuals – Other refundable tax offsets

Item	Amount	Tax return label
Exploration credits		T11(code E)

* This is the amount of listed investment company capital gain deduction. Individuals may be entitled to a deduction for 50% of the part of the dividend attributable to the listed investment company capital gain.

Attachment 2

The relationship between the field on the statement and the corresponding field on the AIIR is shown below. The number shown refers to the reference number in Version 11.0 of the AIIR specification. Some additional items have been inserted and notes removed.

Tax return (supplementary section)

Item	AIIR reference number	Tax return label
Share of primary production income	7.110	13L
Other deductions relating to amounts shown at share of net income from trusts	7.112	13X
Share of non-primary production income	7.82	13U
Franked distributions from trusts	7.117	13C
Other deductions relating to non-primary production income	7.83	13Y
Share of credit for tax withheld where Australian business number not quoted	7.111	13P
Share of franking credit from franked dividends	7.80	13Q
Share of credit for tax file number amounts withheld from interest, dividends and unit trust distributions	7.72 less 7.73	13R
Share of credit for tax paid by trustee	7.97	13S
Share of credit for foreign resident withholding amounts (excluding capital gains)	7.96	13A

Share of National rental affordability scheme tax offset	7.109	13B
Early stage venture capital limited partnership	7.131	T8K
Early stage investor	7.130	T9L
Other refundable tax offsets – Exploration credits	7.104	T11 (code E)
Net capital gain	7.85	18A
Total current year capital gains	7.86	18H
Credit for foreign resident capital gains withholding amounts	7.129	18X
CFC income	7.114	19K
Transferor trust income	7.113	19B
Assessable foreign source income	7.88	20E
Net foreign rent	7.115	20R
Other net foreign source income	7.89	20M
Australian franking credits from a New Zealand company	7.91	20F
Foreign income tax offset	7.90	20O
Other income – Category 3 rebates	7.127	24V

Part C: Components

Item	AIIR reference number
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Interest	7.76
Dividends – unfranked declared to be CFI	7.78
Dividends – unfranked not declared to be CFI	7.77
LIC Capital gain deduction	7.105
Other assessable Australian income	7.81
Other allowable trust deductions (SDS)	7.95
Dividends – Franked distributions	7.79
Capital gains discount – Taxable Australian property	7.120
Capital gains discount – Non-Taxable Australian property	7.121
Capital gains other – Taxable Australian property	7.122
Capital gains other – Non-Taxable Australian property	7.123
CGT concession amount (SDS)	7.84
AMIT CGT gross up amount (AMMA)	7.84
Net exempt income	7.92
Non-assessable non-exempt amount	7.124
Tax free amounts (SDS)	7.93
Tax deferred amounts (SDS)	7.94
Gross cash distribution	7.118
AMIT cost base net amount - excess (decrease) (AMMA)	7.125

AMIT cost base net amount - shortfall (increase) (AMMA)	7.126
Non-resident beneficiary ss 98(3) assessable amounts (SDS)	7.98
Non-resident member ss 276-105(2)(a) or (b) assessable amounts (AMMA)	7.98
Non-resident beneficiary ss 98(4) assessable amounts (SDS)	7.99
Non-resident member ss 276-105(2)(c) assessable amounts (AMMA)	7.99
Managed investment trust fund payments	7.102
Amounts withheld from managed investment trust fund payments	7.103
Interest exempt from withholding	7.119
Royalties	7.132

55186

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