



Income questions 1-12

How to complete income questions 1 to 12 in your paper tax return.

1 Salary or wages 2020

Complete question 1 to declare income from salary or wages from which tax was withheld.

2 Allowances, earnings, tips, directors fees etc 2020

Complete question 2 to declare payments of income from working, including allowances, payments for service and fees.

3 Employer lump sum payments 2020

Complete question 3 to declare lump sum payments received from an employer for unused annual or long service leave.

4 Employment termination payments (ETP) 2020

Complete question 4 to declare employment termination payments you received due to the termination of your employment.

5 Australian Government allowances and payments 2020



Complete question 5 to declare allowances and payments received from the Australian Government.

6 Australian Government pensions and allowances 2020



Complete question 6 to declare pensions and allowances received from the Australian Government.

7 Australian annuities and superannuation income streams 2020



Complete question 7 to declare income you received from Australian superannuation income streams and annuities.

8 Australian superannuation lump sum payments 2020



Complete question 8 to declare Australian superannuation lump sum payments or death benefit payments you received.

9 Attributed personal services income 2020



Complete question 9 to declare personal services income attributed to you.

Total tax withheld 2020



Complete the total tax withheld section in your tax return.

10 Gross interest 2020



Complete question 10 to declare interest paid or credited to you from any source in Australia.

11 Dividends 2020



Complete question 11 to declare dividends and distributions paid or credited by Australian companies you had shares in.

12 Employee share schemes 2020



Complete question 12 to declare discounts on employee share scheme interests (ESS interests) you received under an ESS.

Income that you show on the supplementary section of the tax return 2020



Instructions for completing income questions in the supplementary section of the tax return.

Total income or loss 2020



Complete the total income or loss section of your tax return.

QC 80663

1 Salary or wages 2020

Complete question 1 to declare income from salary or wages from which tax was withheld.

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This question is about income from salary or wages from which tax was withheld. Income from salary or wages includes:

- salary and wages
- commissions
- bonuses
- income from part-time or casual work
- parental leave pay
- dad-and-partner pay
- amounts shown on an income statement or payment summary for lost salary or wages paid under
 - an income protection policy
 - a sickness or accident insurance policy
 - a workers compensation scheme
- amounts shown on an income statement or payment summary for special payments resulting from COVID-19 (such as a stand-down payment or COVID-19 payment, but not an eligible termination payment)
- foreign employment. If you are an Australian Government agency employee (and not a member of a disciplined force), include here income earned from delivering Australian official development assistance. For more information, see **Exempt foreign employment income**.

If you received income for work or services performed in the Joint Petroleum Development Area (JPDA), you should have an income statement or *PAYG payment summary – foreign employment*. You may

need a copy of the JPDA fact sheet to work out how to deal with your JPDA income at this item.

Did you earn income from salary or wages shown on an income statement, PAYG payment summary – individual non-business or PAYG payment summary – foreign employment?

No	Go to question 2 Allowances, earnings, tips, directors fees etc 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read on.

If your income statement or *PAYG payment summary – individual non-business* shows any allowances, include them at item **2 Allowances, earnings, tips, directors fees etc.**

Answering this question

You will need your income statement, *PAYG payment summary – individual non-business*, *PAYG payment summary – foreign employment*, or a comparable statement such as a letter or signed statement, from each employer or payer, showing the following details:

- gross income (shown as 'Gross payments' on your income statement or payment summary)
- payment type indicator (if you are a working holiday maker)
- total tax withheld
- foreign tax paid, if applicable, and
- the employer's or payer's Australian business number (ABN) or withholding payer number (WPN).

If you do not have all your payment summaries or comparable statements, contact your employer or payer for a copy or comparable statement. If you are unsuccessful in obtaining any of these, see **Missing payment summary or income statement not finalised**. If you can't access your income statement through myGov, contact us on **13 28 61**.

Completing your tax return

For the purposes of this question, 'payment summary' includes comparable statements. Do not combine amounts from different payment summaries unless instructed at step 3.

Step 1

Print the occupation from which you earned most of your income from salary or wages under **Your main salary and wage occupation** at item **1**.

Be as specific as possible when you describe how you earned your salary and wages, for example, 'insurance clerk' rather than 'clerk', 'facilities manager' rather than 'manager', 'bar attendant' rather than 'student'. For public servants, provide work type, for example, 'call centre operator'.

Step 2

If you have more than five income statements and payment summaries, go to [step 3](#). Otherwise, read on.

For each income statement and payment summary, write at item **1**:

- the payer's Australian business number (ABN) or withholding payer number
- the 'Total Australian tax withheld' amounts under **Tax withheld**
- the gross payment amounts under **Income**.

If your income statement or payment summary includes **Gross payment type H**, print **H** in the payment type box. **Gross payment type H** applies to income you earned while on a 417 or 462 working holiday visa. If this applies to you, then you must complete item **A4**.

You have finished this question. Go to question 2 **Allowances, earnings, tips, directors fees etc 2020**.

Step 3

Gross payment type H, referred to below, applies to income you earned while on a 417 or 462 working holiday visa.

From your income statement and *PAYG payment summary – individual non-business* (with no **Gross payment type H**):

- add up the total tax withheld, write the total under **Tax withheld** at the left of **C**
- add up the gross payment amounts, write the total under **Income** at **C**
- write the Australian business number (ABN) if you have only one income statement or payment summary of this type
- leave the ABN blank if you have more than one income statement or payment summary of this type.

From your income statement and *PAYG payment summary – individual non-business* with **Gross payment type H**:

- add up the total tax withheld, write the total under **Tax withheld** at the left of **D**
- add up the gross payment amounts, write the total under **Income** at **D**
- write **H** in the payment **type** box
- write the ABN if you have only one income statement or payment summary of this type
- leave the ABN blank if you have more than one income statement or payment summary of this type
- complete item **A4**.

From your income statement and *PAYG payment summary – foreign employment*:

- add up the total tax withheld, write the total under **Tax withheld** at the left of **E**
- add up the gross payment amounts, write the total under **Income** at **E**
- write the ABN if you have only one income statement or payment summary of this type
- leave the ABN blank if you have more than one income statement or payment summary of this type.

You have now finished this question; go to question 2 Allowances, earnings, tips, directors fees etc 2020.

Helpful hints

Make sure you keep all your records for five years from the date you lodge your tax return. A shorter record-keeping period may apply in some situations. There is more information on record keeping and written evidence in [Keeping your tax records](#).

Where to go next

- Go to question 2 Allowances, earnings, tips, directors fees etc 2020.
- Return to main menu Individual tax return instructions 2020.

QC 61616

2 Allowances, earnings, tips, directors fees etc 2020

Complete question 2 to declare payments of income from working, including allowances, payments for service and fees.

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This question is about payments of income from working. These include:

- allowances
- payments from which tax was not withheld, including

- salary, wages, commissions, bonuses
 - income earned from part-time and casual jobs
 - income from income protection, sickness and accident insurance policies
- tips, gratuities and payments for your services
 - consultation fees
 - payments for voluntary services (honoraria).

Allowances include:

- car, travel and transport allowances, and reimbursements of car expenses (calculated by reference to the distance travelled by the car, such as 'cents-per-kilometre' allowances)
- award transport payments (paid under an industrial law or award that was in force on 29 October 1986)
- tool, clothing and laundry allowances
- dirt, height, site, first aid and risk allowances
- meal and entertainment allowances.

If you received a travel or an overtime meal allowance paid under an industrial law, award or agreement, do not show it on your tax return if:

- you spent the whole amount on deductible expenses
- it was not shown on your payment summary
- it does not exceed the Commissioner's reasonable allowance amount.

You cannot claim deductions for expenses that you paid for with that allowance. For more information, see **Taxation Determination TD 2019/11** *Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2019–20 income year?*

Did you receive any of the above payments?

No	Go to question 3 Employer lump sum payments 2020, or return to main menu Individual tax return instructions
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	2020.
Yes	Read below.

Answering this question

You will need:

- your income statements, payment summaries or comparable statements
- details of payments that you received that are not shown on an income statement, payment summary or comparable statement.

If you do not have all your payment summaries or comparable statements, contact your employer or payer for a copy or comparable statement. If you are unsuccessful in obtaining any of these, see [Missing payment summary or income statement not finalised](#). If you can't access your income statement through myGov, contact us on **13 28 61**.

Completing your tax return

Step 1

Add up any tax withheld from these payments. Do not include any amount of tax withheld that you have shown at other items, such as item **1**.

Write the amount under **Tax withheld** at the left of **K** item **2**.

Step 2

Add up all of these payments. Do not include any amount of income that you have shown at other items, such as item **1**.

Write the amount under Income at **K** item **2**.

Where to go next

- Go to question **3 Employer lump sum payments 2020**.
- Return to main menu **Individual tax return instructions 2020**.

- Go back to question 1 Salary or wages 2020.

QC 61621

3 Employer lump sum payments 2020

Complete question 3 to declare lump sum payments received from an employer for unused annual or long service leave.

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This question is about lump sum payments you received from your employer for unused annual leave or unused long service leave.

Did you receive any of these payments?

No	Go to question 4 Employment termination payments (ETP) 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read on.

Do not include any employer lump sum payments in arrears or non-superannuation annuity payments in arrears shown at 'Lump sum E' on your income statements or payment summaries. These amounts are dealt with at question 24 Other income 2020. Similarly, 'lump sum payments in arrears' shown on your *PAYG payment summary* –

superannuation income stream are dealt with at question 7 **Australian annuities and superannuation income streams 2020**.

Do not include payments for early retirement or genuine redundancy shown at 'Lump sum D' on your income statements or *PAYG payment summary – individual non-business* anywhere on your tax return, as they are not taxed.

Answering this question

You will need your income statement or *PAYG payment summary – individual non-business*, *PAYG payment summary – foreign employment* or a comparable statement from your payer showing an amount at 'Lump sum A' or 'Lump sum B' where relevant.

If you do not have all your payment summaries or comparable statements, or if any of your comparable statements do not show an amount you received during the year that is either a 'Lump sum A' or a 'Lump sum B', then contact your employer or payer for a copy, amended income statement or payment summary, or a comparable statement. If you are unsuccessful in obtaining any of these, see **Missing payment summary or income statement not finalised**. If you can't access your income statement through myGov, contact us on **13 28 61**.

If you have received an income statement or *PAYG payment summary – foreign employment* showing an amount at 'Lump sum A' on which foreign tax has been paid you will also need to include the amount at **U** in item **20**.

Completing your tax return

If you do not have amounts shown at 'Lump sum A' on your income statements or payment summaries, go to [step 4](#).

Amounts shown at 'Lump sum A' on your income statements and payment summaries

Step 1

Add up the total tax withheld from lump sum A amounts shown on your income statements and payment summaries. Do not include any

amounts of tax withheld you have included at any other item, such as item **1** or **2**.

Write the answer under **Tax withheld** at the left of **R** item **3**.

Step 2

Add up all lump sum A amounts on your income statements and payment summaries.

Write the answer at **R** item **3**.

Step 3

Print in the **Type** box at the right of **R**:

R	if the amount related to a genuine redundancy payment, an early retirement scheme payment, or the invalidity segment of an employment termination payment or superannuation benefit
T	for all other situations

Check with your payer if you are not sure.

If you do not have amounts shown at 'Lump sum B' on your income statements or payment summaries, you have finished this question. Go to question 4 Employment termination payments (ETP) 2020.

Amounts shown at 'Lump sum B' on your income statements and payment summaries

Step 4

Add up the total tax withheld from lump sum B amounts shown on your income statements and payment summaries. Do not include amounts of tax withheld you have included at step 1 above or at any other item, such as item **1** or **2**.

Write the answer under **Tax withheld** at the left of **H** item **3**.

Step 5

Add up all lump sum B amounts on your income statements and payment summaries.

Divide the total by 20. This is because only 5% is taxable.

Write the answer at **H** item **3**.

See also:

- Taxation of termination payments

Where to go next

- Go to question 4 Employment termination payments (ETP) 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 2 Allowances, earnings, tips, directors fees etc 2020.

QC 61622

4 Employment termination payments (ETP) 2020

Complete question 4 to declare employment termination payments you received due to the termination of your employment.

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This question is about employment termination payments (ETPs), which you received as a result of the termination of your employment.

These payments are shown on an income statement or a *PAYG payment summary – employment termination payment* (NAT 70868).

If you have been stood-down or have lost your job as a result of COVID-19, you may have received an ETP. See **Tax on employment payments** for more information on payments you may receive in these circumstances.

This item also includes:

- death benefit ETPs; these are certain payments made as a consequence of the cessation of a person's employment that you received due to that person's death
- foreign ETPs; these are certain ETPs received from overseas employment which **were exempt** from income tax under that country's law
- late termination payments; these are certain ETPs you received more than 12 months after you retired or ceased employment.

Do not show the following payments anywhere on your tax return:

- foreign termination payments; these are certain termination payments that **were not exempt** from income tax of the foreign country
- ETPs you received as the trustee of a deceased estate (ETP code **T**); these payments must be shown on the trust tax return of the deceased estate
- departing Australia superannuation payments.

See also:

- Taxation of termination payments
- Employment termination payments
- Tax on employment payments
- Special circumstances and glossary 2020

Did you receive an ETP?

No	Go to question 5 Australian Government allowances and payments 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read on.

Answering this question

You will need your income statement or *PAYG payment summary – employment termination payment*.

If you do not have all your payment summaries, contact your employer or payer. If you are unsuccessful in obtaining any of these, there is information in **Missing payment summary or income statement not finalised**. If you can't access your income statement through myGov, contact us on **13 28 61**.

If you have received a foreign ETP, your foreign employer may not have issued you with a *PAYG payment summary – employment termination payment*.

See also:

- [Special circumstances and glossary 2020](#)

Completing your tax return

If you received two or more ETPs, go to [step 5](#). Otherwise, read on.

Step 1

Write in the left column at item **4** the date of payment and your payer's Australian business number (ABN), as shown on your income statement or *PAYG payment summary – employment termination payment*.

Step 2

Write the total amount of tax withheld from your ETP, as shown on your income statement or *PAYG payment summary – employment termination payment*, under **Tax withheld** at the left of **I** item **4**.

Step 3

Write the taxable component of your ETP, as shown on your income statement or *PAYG payment summary – employment termination payment*, at **I** item **4**.

Step 4

Write the ETP code, as shown on your income statement or *PAYG payment summary – employment termination payment*, in the **CODE** box at the right of **I** on your tax return.

You must enter a valid code. You should contact the employer or payer if your income statement or *PAYG payment summary – employment termination payment* does not have an ETP code. If you are unable to contact the employer or payer, read through all the codes below and select the one that best describes your payment.

ETP code descriptions

ETP Code	Description
R	if you received your ETP because of: <ul style="list-style-type: none"> • early retirement scheme • genuine redundancy • invalidity • compensation for <ul style="list-style-type: none"> – personal injury – unfair dismissal – harassment – discrimination
O	if your ETP is not described by R , for example, you received it because of: <ul style="list-style-type: none"> • a golden handshake • gratuity • payment in lieu of notice • payment for unused sick leave • payment for unused rostered days off
S	if you received a code R ETP in 2019–20 and you had received another ETP (code R or code O), or a

	transitional termination payment, in an earlier income year for the same termination of employment
P	if you received a code O ETP in 2019–20 and you had received another ETP (code R or code O), or a transitional termination payment, in an earlier income year for the same termination of employment
D	if you received a death benefit ETP and you were a death benefits dependant
B	if you received a death benefit ETP in 2019–20 and you were not a death benefits dependant and you had received another death benefit ETP in an earlier income year for the same termination of employment
N	if you received a death benefit ETP and you were not a death benefits dependant, and code B does not apply

You have now finished this question. Go to [Where to go next](#).

Step 5

As you received two or more ETPs, you need to complete an **Employment termination payment schedule** using the information shown on your income statements or payment summaries.

Step 6

When you have completed the schedule, add together all the amounts of tax withheld, add together all the taxable component amounts and transfer the two totals to item **4** on your tax return. Write the total tax withheld under **Tax withheld** at the left of **I**, write the total taxable component at **I**, and print the code letter **M** in the **Code** box.

Do not write any date of payment or payer's ABN on your tax return.

Step 7

Attach your schedule to page 3 of your tax return and print **X** in the **Yes** box at **Taxpayer's declaration** question **2** on page 10.

Where to go next

- Go to question 5 Australian Government allowances and payments 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 3 Employer lump sum payments 2020.

QC 61623

5 Australian Government allowances and payments 2020

Complete question 5 to declare allowances and payments received from the Australian Government.

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This question is about the following Australian Government payments:

- Jobseeker payment
- Newstart allowance
- youth allowance
- Austudy payment
- parenting payment (partnered)
- partner allowance
- sickness allowance

- special benefit
- widow allowance
- farm household allowance
- an education payment of any of the following when you were 16 years old or older
 - ABSTUDY living allowance
 - payment under the Veterans' Children Education Scheme
 - payment under the *Military Rehabilitation and Compensation Act Education and Training Scheme 2004*, shown as 'MRCA Education Allowance' on your *PAYG payment summary – individual non-business*
- other taxable Commonwealth education or training payments shown on your payment summary
- youth disability supplement as a component of
 - youth allowance
 - ABSTUDY living allowance
- an income support component from a Community Development Employment Project (CDEP) shown as 'Community Development Employment Projects (CDEP) payments' on your *PAYG payment summary – individual non-business*
- a CDEP scheme participant supplement
- disaster recovery allowance (but not in relation to 2019–20 bushfires)
- disaster income support allowance for special category visa (subclass 444) holders (but not in relation to 2019–20 bushfires).

Do not include any Australian Government allowances and payments that are not taxable, show these at **IT3 Tax-free government pensions or benefits 2020**; see **Amounts that you do not pay tax on 2020**.

Do not include any parental leave payments or dad-and-partner payments; show these at **1 Salary or wages 2020**.

Show at 24 Other income 2020 the balance of the amount for emergency and general assistance payments shown on your Centrelink PAYG payment summary.

Did you receive any of the payments listed above?

No	Go to question 6 Australian Government pensions and allowances 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read below.

Record keeping

Keep all statements and payment summaries with your records.

Beneficiary tax offset

You may be entitled to a tax offset on this income.

Tax offsets reduce the amount of tax you have to pay.

If you received one or more of the payments listed above, you may be entitled to a beneficiary tax offset. You do not have to work out your tax offset. We work it out for you from the answers you give at this item. If you want to work out your beneficiary tax offset, you can use the [Beneficiary tax offset and seniors and pensioners tax offset calculator](#).

If you are eligible for both the seniors and pensioners tax offset and the beneficiary tax offset, you are entitled to receive only one of these offsets. We will work out which one gives you the highest tax offset.

Answering this question

You will need:

- your *PAYG payment summary – individual non-business*, or
- a letter from the agency that paid your allowance or payment stating the amount you received.

If you have not received this information or you have lost it, contact the agency that paid you.

Completing your tax return

Step 1

Add up the tax withheld shown on each of your payment summaries and letters.

Write the total under **Tax withheld** at the left of **A** item **5**.

Step 2

Add up the income shown on each of your payment summaries and letters.

Write the total at **A** item **5**.

Where to go next

- Go to question 6 Australian Government pensions and allowances 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 4 Employment termination payments (ETP) 2020.

QC 61624

6 Australian Government pensions and allowances 2020

Complete question 6 to declare pensions and allowances received from the Australian Government.

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This question is about the following Australian Government payments:

- age pension
- bereavement allowance
- carer payment
- disability support pension, if you have reached age-pension age
- education entry payment
- parenting payment (single)
- widow B pension
- wife pension, if either you or your partner was of age-pension age
- age service pension
- income support supplement
- Defence Force income support allowance (DFISA) where the pension, payment or allowance to which it relates is taxable
- DFISA-like payment from the Department of Veterans' Affairs (DVA)
- Veteran payment
- invalidity service pension, if you have reached age-pension age
- partner service pension.

Do not include any Australian Government pensions or allowances that are not taxable, show these at item IT3 Tax-free government pensions or benefits 2020; see Amounts that you do not pay tax on 2020.

Did you receive any of the payments listed above?

No	Go to question 7 Australian annuities and superannuation income streams 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read below.

Answering this question

You will need:

- your *PAYG payment summary – individual non-business*, or
- a letter from the agency that paid your pension, allowance or payment stating the amount that you received.

If you have not received this information, or you have lost it, contact the agency that paid you.

Completing your tax return

Step 1

Add up the tax withheld shown on each of your payment summaries and letters.

Write the total under **Tax withheld** at the left of **B** item **6**.

Step 2

Add up the income shown on each of your payment summaries and letters.

Write the total at **B** item **6**.

Record keeping

Keep all statements and payment summaries with your records.

Tax tips

You may be entitled to a tax offset on this income. Make sure you work through question T1 Seniors and pensioners (includes self-funded retirees) 2020 to see whether you are entitled to a tax offset.

Where to go next

- Go to question 7 Australian annuities and superannuation income streams 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 5 Australian Government allowances and payments 2020.

QC 61625

7 Australian annuities and superannuation income streams 2020

Complete question 7 to declare income you received from Australian superannuation income streams and annuities.

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This question is about income you received from **annuities** and **superannuation income streams**.

Australian **annuities** (also called non-superannuation annuities) are paid to you by Australian life insurance companies and friendly societies. These payments are shown on your *PAYG payment summary – individual non-business*.

Australian **superannuation income streams** (including lump sum in arrears amounts) are paid to you by Australian superannuation funds, retirement savings account (RSA) providers and or life insurance

companies. These payments are shown on your *PAYG payment summary – superannuation income stream* and may include:

- account based income streams
- capped defined benefit income streams that are
 - lifetime pensions, regardless of when they started
 - lifetime annuities that existed prior to 1 July 2017
 - life expectancy pensions and annuities that existed prior to 1 July 2017
 - market-linked pensions and annuities that existed prior to 1 July 2017.

If you received a taxable Australian **superannuation lump sum payment**, do not show it here; show it at question **8**.

Did you receive Australian annuities or superannuation income streams?

No	Go to question 8 Australian superannuation lump sum payments 2020, or return to the main menu Individual tax return instructions 2020.
Yes	Use the Defined benefit income cap tool to answer this question or read on.

Answering this question

This question is divided into four parts. The amount to be included in your income tax return is dependent on the type of superannuation income stream you receive.

The following outlines the parts that you need to complete based on the superannuation income stream you received. Where you received multiple superannuation income streams, you may be required to complete some or all of the parts; and add together amounts from different parts, before writing the total on your tax return:

Complete parts A and B if you received:

- a superannuation income stream (including death benefit income streams) – for example an account based pension and not a capped defined benefit income stream that is covered below
- an Australian annuity.

Do not show the following tax-free amounts (unless instructed otherwise) where you are receiving a superannuation income stream (including death benefit income streams) and:

- you received a taxed element after your 60th birthday
- you received a taxed element paid to you as the result of the death of another person who was 60 years old or older, or
- you received a tax-free component.

Complete parts A and B if all of the following apply:

- you received a capped defined benefit income stream (including you having a death benefit income stream where the deceased was under 60 years old)
- you were under 60 years old on 30 June 2020.

Complete parts A and C if all of the following apply:

- you received a capped defined benefit income stream
- you were 60 years old or older on 1 July 2019
- you received your income stream for all of 2019–20.

Complete parts A and D if you received a capped defined benefit income stream, and any of the following apply:

- you turned 60 years old during 2019–20
- you were 60 years old or older on 1 July 2019 and you started an income stream for the first time during 2019–20
- you were under 60 years old on 30 June 2020 and have a death benefit income stream where the deceased was 60 years old or older. This will be indicated on your payment summary as **Death benefit (Reversionary income stream)**.

Additional requirements

You may be entitled to a tax offset if you received a superannuation income stream lump sum in arrears. If so, you need to provide additional information.

- On a separate sheet of paper
 - print **Schedule of additional information – Item 7**
 - print your name, address and tax file number
 - write the amount of the payment in arrears for each income year involved.

For example, if you received \$900 in 2019–20 as a lump sum in arrears, where \$600 of that lump sum is due for 2017–18 and \$300 for 2018–19, write 2017–18 \$600 and 2018–19 \$300. If you do not have that information, contact the payer of your superannuation income stream.

- Attach your schedule of additional information to page 3 of your tax return.
- Print **X** in the **Yes** box at **Taxpayer's declaration** question 2 on page 10 of your tax return.

You may be entitled to an additional tax offset if:

- you were 60 years old or older when you received a superannuation income stream payment with an untaxed element (the untaxed element is shown on your *PAYG payment summary – superannuation income stream*), and
- your superannuation income stream was not a capped defined benefit income stream (contact your fund if you don't know).

To claim that additional tax offset, you need to provide the following additional information:

- On a separate sheet of paper
 - print **Schedule of additional information – Item 7**
 - print your name, address and tax file number
 - write the superannuation income stream provider name and the untaxed element amount.

- Attach your schedule of additional information to page 3 of your tax return.
- Print **X** in the **Yes** box at **Taxpayer's declaration** question 2 on page 10 of your tax return.

Completing your tax return

You will need:

- for annuities
 - all your *PAYG payment summary – individual non-business* which show the amount of your annuity and its undeducted purchase price (UPP)
- for superannuation income streams
 - all your *PAYG payment summary – superannuation income stream*.

Part A

Add up the tax withheld amounts on your payment summaries.

Write the total in the left hand column under **Tax withheld** at item **7**.

Part B

Step 1

Add up the taxed element amounts that appear on all your *PAYG payment summary – superannuation income stream* under the heading *Taxable component*.

Write the total at **J** item **7**.

Step 2

Worksheet 1

Row	Calculation	Amount
a	Add the total of your untaxed elements.	\$

b	Write 0 if you did not receive any Australian annuities or if you did receive Australian annuities, take the deductible amount of the annuity's UPP away from the gross amount shown on the payment summary. Write 0 if the result is negative.	\$
c	Add a and b .	\$

Write the amount from **c** at **N** item **7**.

Step 3

Add up the taxed element amounts that appear on all your *PAYG payment summary – superannuation income stream* under the heading *Lump sum in arrears – taxable component*.

Write the total at **Y** item **7**.

Step 4

Add up the untaxed element amounts that appear on all your *PAYG payment summary – superannuation income stream* under the heading *Lump sum in arrears – taxable component*.

Write the total at **Z** item **7**.

Part C

Your defined benefit income cap is \$100,000 for 2019–20. The **Defined benefit income cap tool** can assist you to calculate your assessable income from a capped defined benefit income stream.

Do not show amounts at:

- **J** item **7** (taxed element)
- **Y** item **7** (lump sum in arrears taxed element).

We will take these amounts into consideration when calculating your assessable amount from a capped defined benefit income stream.

Step 1

Worksheet 2

Row	Calculation	Amount
a	Add the tax-free component plus the taxed element from all your income streams. These amounts are to include lump sum in arrears.	\$
b	Your defined benefit income cap	\$100,000
c	Subtract b from a . If the result is less than or equal to \$1, write 0 at c and d .	\$
d	Divide c by 2.	\$

The amount at **d** is your **assessable amount from your capped defined benefit income stream**.

Write the amount from **d** at **M** item **7**.

Step 2

Add up the untaxed elements that appear on all your *PAYG payment summary – superannuation income stream* under the heading *Taxable component*.

Write the total at **N** item **7**.

Step 3

Add up the untaxed elements that appear on all your *PAYG payment summary – superannuation income stream* under the heading *Lump sum in arrears – taxable component*.

Write the total at **Z** item **7**.

Part D – Reduction of your defined benefit income cap

Your defined benefit income cap of \$100,000 for 2019–20 may be reduced.

Use worksheets 3A and 3B, and worksheet 4 if required, to work out the amount of assessable income to be included at **M** item **7**, based on your defined benefit income cap.

If you:

- were 60 years old or older on 1 July 2019 **and** you started a capped defined benefit income stream for the first time during 2019–20 – complete **a** in worksheet 3A.
- turned 60 years old during 2019–20 **and** you received a capped defined benefit income stream during 2019–20 – complete **b** in worksheet 3A.
- were under 60 years old at any time during 2019–20, **and** you had a 'reversionary income stream' (a term we use for a capped defined benefit income stream which is a death benefit income stream where the deceased died aged 60 years old or older) – complete **c** in worksheet 3A.

Step 1

Worksheet 3A

Row	Calculation	Days
a	<p>Work out the number of days in 2019–20 from when you first started to receive a superannuation income stream to 30 June 2020.</p> <p>(If you have more than one of these superannuation income streams, work out the number of days using the income stream you started first.)</p>	days
b	<p>Work out the number of days in 2019–20 from the later of:</p> <ul style="list-style-type: none"> • your 60th birthday, or • when you first started to receive a capped defined benefit income stream to 30 June 2020. 	days
c	<p>Work out the number of days in 2019–20 from when you first started to receive a reversionary income stream to 30 June 2020.</p> <p>(If you have more than one of these superannuation income streams, work out</p>	days

	the number of days using the income stream you started first.)	
d	From a , b and c work out which has the greatest number of days and write at d .	days

Worksheet 3B

Row	Calculation	Amount
e	Divide the number of days you calculated at d in worksheet 3A by 366 and multiply by 100.	days
f	Multiply e by \$1,000. Round up to the nearest dollar. This is your reduced defined benefit income cap. If you completed c in worksheet 3A and you also have a capped defined benefit income stream that is not a reversionary income stream, go to worksheet 4 at step 3 (do not complete the rest of worksheet 3B). Otherwise, read on.	\$
g	Add the tax-free component plus the taxed element from all your capped defined benefit income streams. These amounts are to include lump sums in arrears. Only include the amounts received after you were 60 years old or older, and the amounts, if any, you received from a reversionary income stream as defined above.	\$
h	Subtract f from g . If the result is less than or equal to \$1, write 0 at h and i .	\$
i	Divide h by 2.	\$

The amount at **i** is your **assessable amount from your capped defined benefit income stream**.

Write the amount from **i** at **M** item **7**.

Step 2

Add taxed elements you received when you were under 60 years old from your capped defined benefit income stream, and write the total at **J** item **7**.

Add lump sum in arrears taxed element amounts you received when you were under 60 years old, and write the total at **Y** item **7**.

Add up all your untaxed elements, and write the total at **N** item **7**.

Add up the lump sum in arrears untaxed elements, and write the total at **Z** item **7**.

Do not continue to step 3. **You have now finished this question.**

[Where to go next.](#)

Step 3

Complete worksheet 4 only if:

- you completed **c** in worksheet 3A
- you have a capped defined benefit income stream which is not a reversionary income stream.

Worksheet 4

Row	Calculation	Amount
a	Write the amount from f in worksheet 3B .	\$
b	Add the tax-free component plus the taxed element plus the untaxed element from all your other capped defined benefit income streams which you received when you were under 60 years old and which were not reversionary income streams. These amounts are to include lump sum in arrears.	\$
c	Work out the number of days in 2019–20 you received your other capped defined benefit income streams when you were	days

	under 60 years old and which were not reversionary income streams.	
d	Work out the number of days in 2019–20 you received your other capped defined benefit income stream when you were under 60 years old and which were not reversionary income streams during the same time you were receiving your reversionary income stream.	days
e	If c is equal to d , write 100% at e . If c is greater than d , divide d by c and multiply by 100.	%
f	Multiply b by e .	\$
g	Subtract f from a . Round up to the nearest dollar. Where the result is zero or less than zero, write 0 at g . The amount at g is your reduced defined benefit income cap.	\$
h	Add the tax-free component plus the taxed element from your reversionary income streams and your other capped defined benefit income streams that you received when you were 60 years old or older. These amounts are to include lump sum in arrears.	\$
i	If h is less than g write 0 at i and j . If h is more than g , subtract g from h .	\$
j	Divide i by 2.	\$

The amount at **j** is your **assessable amount from your capped defined benefit income stream**.

Write the amount from **j** at **M** item **7**.

Step 4

Add taxed elements you received when you were under 60 years old from your capped defined benefit income stream, and write the total at **J** item **7**.

Add lump sum in arrears taxed element amounts you received when you were under 60 years old, and write the total at **Y** item **7**.

Add up all your untaxed elements, and write the total at **N** item **7**.

Add up the lump sum in arrears untaxed elements, and write the total at **Z** item **7**.

Tax tips

You may be entitled to the:

- seniors and pensioners tax offset; for more information see question T1 Seniors and pensioners (includes self-funded retirees) 2020
- superannuation income stream tax offset; for more information see question T2 Australian superannuation income stream 2020.

See also:

- [Withdrawing your super and paying tax](#)

Where to go next

- [Go to question 8 Australian superannuation lump sum payments 2020.](#)
- [Return to main menu Individual tax return instructions 2020.](#)
- [Go back to question 6 Australian Government pensions and allowances 2020.](#)

QC 61626

8 Australian superannuation lump sum payments 2020

Complete question 8 to declare Australian superannuation lump sum payments or death benefit payments you

received.

Last updated 28 May 2020

On this page

[Answering this question](#)

[Completing your tax return](#)

[Where to go next](#)

This question is about Australian superannuation lump sum payments or superannuation death benefit payments you received, including those paid by:

- superannuation funds
- approved deposit funds
- retirement savings account providers
- life insurance companies.

It is also about:

- amounts we paid to you in respect of the superannuation guarantee charge or the superannuation holding accounts special account
- payments you received from the unclaimed money registers.

You need to complete this item if you received a *PAYG payment summary – superannuation lump sum*.

You need to show lump sums you received from **foreign** superannuation funds at **item 20** on your tax return (supplementary section).

Did you receive any of these payments?

No	Go to question 9 Attributed personal services income 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read on.

Answering this question

Do not show on your tax return:

- tax-free component of any superannuation lump sum, including any super co-contribution or low-income super tax offset payment from us (these amounts are tax free and not included in your assessable income)
- lump sum payments you received as a death benefits dependant of the deceased (see the definition in **Special circumstances and glossary 2020**, these amounts are tax free and not included in your assessable income)
- taxed element of a superannuation lump sum payment you received on or after your 60th birthday (these amounts are tax free and not included in your assessable income) unless it is a death benefit superannuation lump sum payment paid to you as a non-dependant
- superannuation lump sum payment received as the trustee of a deceased estate (this payment must be shown on the trust tax return of the deceased estate)
- amounts released under a 'release authority' issued to you because of an excess contributions tax assessment (these amounts are tax free and not included in your assessable income)
- amounts paid to you because you have a terminal medical condition (see the definition in **Special circumstances and glossary 2020**; these amounts are tax free and you should not have received a *PAYG payment summary – superannuation lump sum* for this type of payment)
- COVID-19 early release of superannuation payment
- departing Australia superannuation payments.

You will need your *PAYG payment summary – superannuation lump sum*.

If you have not received it, have lost it or think the details (such as the dependency status) on it are wrong, contact your payer. If you still cannot obtain it or cannot agree on the details, see **PAYG payment summary – individual non-business**.

Completing your tax return

If you received more than one superannuation lump sum during the year, go to [step 4](#). Otherwise, read on.

Step 1

Write in the left column at item **8** the date of payment and your payer's Australian business number (ABN), as shown on your payment summary.

Step 2

Write the total amount of tax withheld, as shown on your payment summary, under **Tax withheld** at item **8**.

Step 3

From your payment summary, write at item **8**:

- the taxed element amount at **Q**
- the untaxed element amount at **P**.

If you received a lump sum death benefit payment, print **N** in the **TYPE** box at item **8**. Otherwise, leave the **TYPE** box blank.

You have now finished this question. Go to [question 9](#).

Step 4

If you received two or more superannuation lump sums, you need to complete **Superannuation lump sum schedule** using the information shown on your payment summaries.

Step 5

When you have completed the *Superannuation lump sum schedule*, add all the 'tax withheld', 'taxed elements' and 'untaxed elements' from each superannuation lump sum you received, and transfer these amounts to item **8** on your tax return. Write:

- the total tax withheld in the **Tax withheld** column
- the total taxed elements at **Q**
- the total untaxed elements at **P**.

Print the code letter **M** in the **TYPE** box.

Do not write any date of payment or payer's ABN on your tax return.

Step 6

Attach your *Superannuation lump sum schedule* to page 3 of your tax return and print **X** in the **Yes** box at **Taxpayer's declaration** question 2 on page 10 of your tax return.

See also:

- [Withdrawing your super and paying tax](#)

Where to go next

- [Go to question 9 Attributed personal services income 2020.](#)
- [Return to main menu Individual tax return instructions 2020.](#)
- [Go back to question 7 Australian annuities and superannuation income streams 2020.](#)

QC 61627

9 Attributed personal services income 2020

Complete question 9 to declare personal services income attributed to you.

Last updated 28 May 2020

On this page

[Answering this question](#)

[Completing your tax return](#)

[Tax tips](#)

[Where to go next](#)

You must complete this item if you provided personal services and you:

- received a *PAYG payment summary – business and personal services income* showing an **X** against 'Personal services attributed income', or
- had personal services income attributed to you.

If you provided personal services and payment was made to you as a sole trader, do not complete this item. You must answer question **14 Personal services income (PSI) 2020** and complete item **P1 Personal services income** in the *Business and professional items schedule for individuals 2020*.

If this applies to you, then you should lodge your tax return using myTax or a registered tax agent.

If you are unable to use myTax or a registered tax agent, contact us on **13 28 66** and we will mail you a paper tax return and Business and Professional items schedule.

Personal services income is income that is mainly a reward for your personal efforts or skills and is generally paid either to you or to a personal services entity (a company, partnership or trust).

If your personal services income is paid to a personal services entity, the income (less certain deductions relating to gaining or producing that income) is attributed to you unless:

- the personal services entity gained the income in the course of conducting a personal services business, or
- the income was promptly paid to you by the entity as salary.

Did you receive any attributed personal services income?

No	Go to Total tax withheld 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read below.

Answering this question

You will need:

- your *PAYG payment summary – business and personal services income*
- details of any other personal services income attributed to you.

If you do not have all of your documents, contact the person who paid you.

Completing your tax return

Step 1

Write the total amount of tax withheld from the personal services income attributed to you under **Tax withheld** at the left of **O** item **9**.

Step 2

Write the total amount of personal services income attributed to you at **O** item **9**.

Tax tips

If the personal services entity has a net loss relating to your personal services income, then no amount is attributed to you. To claim a deduction for the loss, read **D15 Other deductions – not claimable at items D1 to D14** or elsewhere on your tax return 2020.

There is an explanation of the rules relating to the attribution of personal services income in *Taxation Ruling TR 2003/6 Income tax: attribution of personal services income*.

Where to go next

- Go to **Total tax withheld 2020**.
- Return to main menu **Individual tax return instructions 2020**.
- Go back to question **8 Australian superannuation lump sum payments 2020**.

Total tax withheld 2020

Complete the total tax withheld section in your tax return.

Last updated 28 May 2020

On this page

[Completing your tax return](#)

[Helpful hints](#)

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Completing your tax return

Step 1

Add up all the amounts in the **Tax withheld** column at items **1** to **9** on your tax return.

Step 2

Write the total amount at **Total tax withheld**.

Helpful hints

Tax offsets and tax withheld

If your tax offsets have changed since you last filled in a **Withholding declaration**, you need to complete a new declaration.

Other amounts withheld

If you have to lodge activity statements:

- make sure you lodge all your activity statements before you lodge your tax return
- do not show pay as you go (PAYG) instalments anywhere on your tax return; these are automatically credited to you in your assessment.

Where to go next

- Go to question 10 Gross interest 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 9 Attributed personal services income 2020.

QC 61634

10 Gross interest 2020

Complete question 10 to declare interest paid or credited to you from any source in Australia.

Last updated 28 May 2020

On this page

[Answering this question](#)

[Completing your tax return](#)

[Where to go next](#)

This question is about interest paid or credited to you from any source in Australia, including accounts and term deposits held with financial institutions in Australia. This includes:

- interest we paid or credited to you
- interest from children's accounts you opened or operated with funds that belonged to you or funds that you used as if they belonged to you. For more information about children's accounts, see *Taxation Determination TD 2017/11 Income tax: who should be assessed to interest on bank accounts?*

Use *Individual tax return supplement 2020* if you have any of the types of interest listed below:

Show distributions of interest you received, or were entitled to receive, from a partnership or trust (including a cash management trust,

property trust, unit trust or other similar trust investment product) at question 13 Partnerships and trusts 2020.

Show interest from a foreign source at question 20 Foreign source income and foreign assets or property 2020.

Was any interest paid or credited to you from any source in Australia?

No	Go to question 11 Dividends 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read on.

Answering this question

You will need:

- your statements or other documentation from your financial institutions and other sources that show 2019–20 interest income
- any statement of account or notice of assessment (or amended assessment) you received from us during 2019–20 that shows interest we paid or credited to you, for example
 - interest on early payments
 - interest on overpayments
 - delayed refund interest.

Tax file number (TFN) amounts are amounts of tax withheld by financial institutions because you did not provide your TFN or Australian business number (ABN) to them. TFN amounts are shown on your statement or document as 'Commonwealth tax' or 'TFN withholding tax'. You must show these amounts as gross interest on your tax return.

If you were a foreign resident when you received or were credited with the interest, do not include it here; for information about non-resident withholding tax on these amounts see [Special circumstances and glossary 2020](#).

If you had any joint accounts, show only your share of the interest. This will be half if you held the account equally with one other person. Keep a record of how you worked out your proportion if you and the other account holders did not share the amounts of interest equally.

Completing your tax return

Step 1

Add up the amounts of gross interest you received in 2019–20.

Step 2

Write the total amount of your gross interest at **L** item **10**. Do not show cents. If the total was less than \$1, do not write anything.

Step 3

Add up all the TFN amounts shown on your statements, but do not include TFN amounts that we have already refunded to you. Write the total at **M** item **10**. Show cents.

Where to go next

- Go to question 11 Dividends 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 9 Attributed personal services income 2020.

QC 61629

11 Dividends 2020

Complete question 11 to declare dividends and distributions paid or credited by Australian companies you had shares in.

Last updated 28 May 2020

On this page

[Answering this question](#)

[Completing your tax return](#)

[Tax tips](#)

[Where to go next](#)

This question is about dividends and distributions that were paid or credited to you by Australian companies that you had shares in. These include:

- dividends applied under a dividend reinvestment plan
- dividends that were dealt with on your behalf
- bonus shares that qualify as dividends
- distributions by a corporate limited partnership
- dividends paid by a corporate unit trust
- dividends paid by a public trading trust
- dividends paid by a listed investment company.

The following may also be included as dividends:

- earnings you received, or were credited with, on a non-share equity interest
- amounts you received from, or were credited by, a private company as a shareholder or an associate of a shareholder in the form of payments, loans or debts forgiven (these are generally unfranked dividends)
- amounts you received from, or were credited by, the trustee of a trust estate in the form of payments, loans or debts forgiven where a private company in which you were a shareholder, or an associate of a shareholder, had an unpaid present entitlement (or was going to have such an entitlement by a certain time) from the trust (these are generally unfranked dividends).

Do not include dividends paid under a demerger unless the company advised you to include them.

Your dividend statements will show the amounts and should show the payment dates.

If you received, or were credited with, a dividend when you were not an Australian resident, see [Special circumstances and glossary 2020](#).

Were you paid or credited with any dividends by Australian companies?

No	Go to question 12 Employee share schemes 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read on.

Answering this question

You will need your statements from each Australian company, corporate limited partnership, corporate unit trust, public trading trust and listed investment company that paid you dividends or made distributions to you from 1 July 2019 to 30 June 2020 inclusive.

Statements may show:

- amounts of franked and unfranked dividends
- amounts of franking credits
- tax file number (TFN) amounts withheld from unfranked dividends.

Franking credits are amounts of tax paid by the company that are allocated to your dividend or distribution. You include as assessable income both:

- the amount of your dividend or distribution, and
- the amount of the franking credits allocated to you.

You also receive a tax credit on your tax assessment for an amount equal to the franking credits.

You may not be entitled to claim the franking credits if:

- within 45 days of buying the shares (90 days for certain preference shares), you either sold them or entered into an arrangement to reduce the risk of making a loss on them

- you were under an obligation to make, or were likely to make, a related payment, or
- you received a dividend as a result of a dividend washing arrangement.

For more information, see **Holding period rule, Related payments rule** and **Dividend washing integrity rule** in **Special circumstances and glossary 2020**.

TFN amounts are amounts of tax withheld from dividends and some distributions by investment bodies because you did not provide your TFN or ABN to them. TFN amounts are shown on your dividend statement. These amounts must be included in the amount of unfranked dividends you write on your tax return.

If you had any shares in joint names, show only your proportion of the dividends. This would be half if you held the shares equally with one other person. Keep a record of how you worked out your proportion if you and the other joint owners did not own the shares equally.

Completing your tax return

If any of your statements do not show franked and unfranked portions of the dividend, show the total dividend amount at **T**.

Step 1

Add up all the unfranked dividend amounts from your statements, including any TFN amounts withheld. Include any other amount that is treated as dividends.

Write the total amount at **S**.

Step 2

Add up all the franked dividend amounts from your statements and any other franked dividends paid or credited to you.

Write the total amount at **T**.

Step 3

Add up the 'franking credit amounts' shown on your statements. Do not include them if the **holding period rule, related payments rule** or

dividend washing integrity rule prevent you from claiming them. For more information, see [You and your shares 2020](#).

Write the total amount at **U**.

Step 4

Add up all the TFN amounts withheld that have not been refunded to you.

Write the total amount at **V**. Show cents.

Keep your dividend statements.

See also:

- [Keeping your tax records](#)

Tax tips

If you:

- received a distribution from a partnership or trust, see question [13 Partnerships and trusts 2020](#)
- carried on a business of trading in shares, see question [15 Net income or loss from business 2020](#)
- sold, redeemed, cancelled or otherwise disposed of shares during the year (but did not carry on a business of trading in shares), see question [18 Capital gains 2020](#)
- received dividends from a foreign company, see question [20 Foreign source income and foreign assets or property 2020](#)
- received dividends from a New Zealand company with Australian franking credits attached, see question [20 Foreign source income and foreign assets or property 2020](#)
- received dividends or a distribution on which family trust distribution tax had been paid, see question [A5 Amount on which family trust distribution tax has been paid 2020](#).

See also:

- [You and your shares 2020](#)
- [Guide to capital gains tax 2020](#)

Where to go next

- Go to question 12 Employee share schemes 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 10 Gross interest 2020.

QC 61630

12 Employee share schemes 2020

Complete question 12 to declare discounts on employee share scheme interests (ESS interests) you received under an ESS.

Last updated 28 May 2020

On this page

[Answering this question](#)

[Completing your tax return](#)

[Helpful hints](#)

[Where to go next](#)

This question is about **discounts** on 'employee share scheme interests' (ESS interests) that you or your associate received under an employee share scheme. ESS interests are:

- shares
- stapled securities (provided at least one of the stapled interests is a share in a company)
- rights to acquire shares and stapled securities.

An ESS interest acquired by your associate in respect of your employment is treated as though the ESS interest was acquired by

you.

The discount is the difference between the market value of the ESS interests and the amount paid to acquire them.

The ESS interests can be:

- from an Australian company or a foreign company
- related to your employment inside or outside Australia
- related to a work relationship other than employment, for example sub-contracting.

You will be taxed on the discount in the year in which you acquired the interest. Such schemes are known as 'taxed-upfront schemes'.

However, if you and the scheme meet certain conditions the taxing point is deferred until a later time. These tax-deferred schemes are known as 'deferral schemes'.

Changes to ESS interests acquired on or after 1 July 2015 include:

- changes to the 'deferred taxing point'
- a tax concession through which some discounts on ESS interests in start-up companies will not be taxed under the employee share scheme regime, as long as the eligibility criteria are met. Subsequent gains on the disposal of these ESS interests will be taxed under the capital gains tax rules.

Discounts on eligible ESS interests provided to you by a start-up company will not be included on your *Employee share scheme statement* and should not be included at this question.

See also:

- Employee share schemes

Did any of the following apply to you?

- You received a discount on ESS interests acquired under a 'taxed-upfront scheme'.
- A 'deferred taxing point' occurred in respect of your ESS interests under a 'deferral scheme'.

No	Go to Income that you show on the supplementary section of the tax return 2020, or return to main menu
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	Individual tax return instructions 2020.
Yes	Read on.

The conditions of the scheme in which you participate and your personal circumstances determine when you pay tax on the discount you receive.

You may be entitled to reduce the amount of the discounts received under taxed-upfront schemes by up to \$1,000. You may qualify for the reduction if the following amounts add up to \$180,000 or less:

- your taxable income for the year (calculated as though you are not entitled to the \$1,000 reduction), excluding any assessable **First home super saver** released amount
- your total reportable fringe benefits amounts (**N** and **W** item **IT1**)
- your reportable employer superannuation contributions (**T** item **IT2**)
- your net financial investment loss (**X** item **IT5**)
- your net rental property loss (**Y** item **IT6**)
- your deductible personal superannuation contributions (**H** item **D12**).

The rules of the scheme or a letter from your employer should advise you whether you have acquired ESS interests under a taxed-upfront or deferral scheme. Your employer must provide you with an *Employee share scheme statement* which shows you the value of any discounts you have received on your ESS interests in 2019–20. You will need this statement to complete this item.

Discounts on eligible ESS interests provided to you by a start-up company will not be included on your *Employee share scheme statement*. Do not show the discount at this question.

See also:

- Employees

Answering this question

You will need your *Employee share scheme statement* from each employer with whom you participated in an employee share scheme.

Each statement shows the amount of your discount and whether your discount was from a:

- taxed-upfront scheme eligible for reduction
- taxed-upfront scheme not eligible for reduction
- deferral scheme.

Statements may also show 'tax file number (TFN) amounts withheld' where applicable. TFN amounts withheld are amounts of tax withheld when you do not provide your TFN or ABN to your employer.

If you received ESS interests from a foreign employer, you might not receive an *Employee share scheme statement*.

If you do not have all your *Employee share scheme statements* or comparable statements, contact your employer. If you are unsuccessful in obtaining any of these, see **PAYG payment summary – individual non-business**.

If an associate has acquired an ESS interest as a result of your employment, you must include the discount in your assessable income. Your associate does not include the discount on their tax return.

If you qualify as a temporary resident for tax purposes, special rules may apply if you acquired ESS interests under an employee share scheme. For more information, see **ESS – Foreign income exemption for Australian residents and temporary residents**.

If you disposed of your ESS interests because of a corporate restructure or takeover and received replacement shares, stapled securities or rights, special provisions may apply.

See also:

- **ESS – Rollover relief**

Completing your tax return

For the purposes of steps 1 to 3, 'Employee share scheme statement' includes comparable statements and statutory declarations.

Step 1

Add up all the discount amounts you received from 'taxed-upfront schemes eligible for reduction' including amounts shown on your

Employee share scheme statements and any foreign source discounts you received.

Write the total amount at **D** item **12**.

Step 2

Add up all the discount amounts you received from taxed-upfront schemes not eligible for reduction, including amounts shown on your employee share scheme statements and any foreign sourced discounts you received.

Write the total amount at **E** item **12**.

Step 3

Add up all the discount amounts you received from deferral schemes where a deferred taxing point occurred during 2019–20 including amounts shown on your *Employee share scheme statements* and any foreign source discounts you received.

Write the total amount at **F** item **12**.

Step 4

If you did not write an amount at **D**, go to [Step 5](#).

If you wrote an amount at **D**, you may be entitled to a reduction of up to \$1,000 on the amount that you are assessed on.

To determine your eligibility you will first need to work out whether you satisfy the income test. Calculate your taxable income (as if you were **not** entitled to this reduction). If you had a taxable loss, treat it as zero for the purposes of this calculation.

Add your taxable income, excluding any assessable **First home super saver** released amount, to the following amounts (which you must complete at **Income tests** on your tax return; see **Income tests 2020**):

- your total reportable fringe benefits amounts (**N** and **W** item **IT1**)
- your reportable employer superannuation contributions (**T** item **IT2**)
- your net financial investment loss (**X** item **IT5**)
- your net rental property loss (**Y** item **IT6**)

- your deductible personal superannuation contributions (**H** item **D12**).

If the amount that you calculated was greater than \$180,000, you do not satisfy the income test and you are not entitled to a reduction. Add up the amounts that you wrote at **D**, **E**, and **F**. Write the total at **B**.

If the amount that you calculated was less than or equal to \$180,000, you satisfy the income test and are eligible for the reduction of up to \$1,000. If the amount at **D** is:

- Less than or equal to \$1,000, add up the amounts that you wrote at **E**, and **F** and write the total at **B**.
- Greater than \$1,000, add up the amounts at **D**, **E**, and **F** then take \$1,000 away from the total. Write the answer at **B**.
- Go to [Step 6](#).

Step 5

Add up the amounts that you wrote at **E** and **F**. Write the total at **B**.

Step 6

Add up all the TFN amounts withheld from discounts from your *Employee share scheme statements* and write the total at **C**.

Step 7

If you did not pay foreign income tax in respect of any discounts you received on ESS interests you have finished this question. Otherwise, read on.

You may be entitled to claim a foreign income tax offset for the discounts if you have paid foreign income tax in respect of the discounts.

Write at **A** the total amount of your discounts from ESS interests for which you are claiming a foreign income tax offset.

To claim a foreign income tax offset, you must complete **O** item **20** on your tax return. For information on how to calculate a foreign income tax offset, read **Guide to foreign income tax offset rules 2020**.

If you have paid foreign tax in respect of discounts on ESS interests included in your assessable income in a prior income year, you may be

entitled to a foreign income tax offset for that income year. To claim this tax offset, you need to request an amendment to your tax return for that income year. For instructions on requesting an amendment for a prior income year tax return, see **Important information 2020**.

See also:

- Employees

Helpful hints

Do not attach your *Employee share scheme statements* to your tax return. Make sure you keep your statements for at least five years after you are assessed on your discounts.

Where to go next

- Go to Income that you show on the supplementary section of the tax return 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 11 Dividends 2020.

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Income that you show on the supplementary section of the tax return 2020

Instructions for completing income questions in the supplementary section of the tax return.

Last updated 28 May 2020

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You need to complete the *Tax return for individuals (supplementary section) 2020* if you had any of the following types of income or losses.

Types of income

- Partnership and trust distributions
- Personal services income (other than salary and wage income) – see [Note 1](#)
- Income from a business, including one where you were self-employed
- Income under a pay as you go (PAYG) voluntary agreement
- Income from which an amount was withheld because you did not quote your Australian business number
- Income you received as an independent contractor under a labour hire arrangement
- Income you earned as a non-employee taxi driver, for example, a driver operating under a standard bailment agreement with an owner-operator
- Income from which an amount was withheld due to the operation of foreign resident withholding
- Income you deposited into a farm management account
- Income you withdrew from a farm management account
- A capital gain, for example, on disposal of a capital gains tax (CGT) asset
- A distribution from a foreign entity
- Income attributed to you from a controlled foreign company or a transferor trust (foreign income)

- Income shown on a foreign employment payment summary
- Any other foreign employment income
- Income from a foreign source, including foreign pensions and foreign dividends, for example, New Zealand dividends with Australian franking credits – see [Note 2](#)
- Rent
- Bonuses from life insurance companies and friendly societies
- Forestry managed investment scheme income
- Gains from financial arrangements calculated under the taxation of financial arrangements (TOFA) rules
- [Other income](#) not shown at items **1** to **12**

Note 1: Personal services income includes the following payments specified by regulation ('specified payments'):

- income as a performing artist in a promotional activity
- payment for tutorial services provided for 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 for the Translating and Interpreting Service (TIS National) of the Department of Home Affairs.

Note 2: You must also complete the supplementary section of the tax return if:

- you own foreign assets (including an interest in a foreign life policy or foreign company or trust, or shares)
- you have ever directly or indirectly caused the transfer of property (including money) or services to a non-resident trust estate.

'Other income' includes:

- amounts released by one or more of your superannuation funds greater than the excess contributions tax liability stated on the release authority (the release authority is sent to you with the notice of assessment for excess contributions tax)

- lump sum payments in arrears (except those relating to superannuation, you show these at item **7**)
- jury attendance fees
- foreign exchange gains
- royalties
- bonus amounts distributed from friendly society income bonds
- taxable scholarships, bursaries, grants and other educational awards
- benefits and prizes from investment-related lotteries and some game-show winnings
- income from your activities as a special professional, such as author of a literary, dramatic, musical or artistic work; an inventor; a performing artist; a production associate or an active sportsperson
- reimbursements of tax-related expenses or election expenses which you have claimed as a deduction
- assessable balancing adjustments from the disposal, loss or destruction of any depreciating asset, including your car, for which you have claimed a deduction for decline in value
- payments from sickness and accident insurance policies other than those shown on your payment summary
- interest from infrastructure borrowings if you intend to claim a tax offset at item **T9**
- gains from the disposal or redemption of traditional securities
- allowances or payments you received as a member of a local government council that you have not already shown at item **1** or **2**
- other taxable allowances or payments you received from Department of Human Services that are not shown at item **5** or **6**
- work-in-progress amounts you received and have not shown at item **15**.

Types of losses

- A business loss (including one when you were self-employed)

- A deferred non-commercial business loss
- A capital loss, for example, on disposal of a CGT asset
- Non-capital loss from the disposal or redemption of traditional securities

Did you have any of these types of income or losses?

No	Go to Total income or loss 2020, or return to main menu Individual tax return instructions 2020.
Yes	Read on.

Answering this question

You can get a copy of the return form *Tax return for individuals (supplementary section) 2020* at Order ATO publications. You may also need to read *Individual tax return instructions supplement 2020*.

If you were a partner in a partnership that made a loss, had business or personal services income, or deferred non-commercial losses, you should lodge your tax return using myTax or a registered tax agent.

If you are unable to use myTax or a registered tax agent, contact us on **13 28 66** and we will mail you a paper tax return and Business and Professional items schedule.

Completing your tax return

After completing all details that are relevant to your circumstances on the *Tax return for individuals (supplementary section) 2020*, transfer the **Total supplement income or loss** amount on page 15 to item **I** on page 3 of your *Tax return for individuals 2020*. If it is a loss, print **L** in the **Loss** box beside it.

Where to go next

- Go to Total income or loss 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to question 12 Employee share schemes 2020.

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Total income or loss 2020

Complete the total income or loss section of your tax return.

Last updated 28 May 2020

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Completing your tax return

Go to **Total income or loss** on page 3 of your tax return.

Step 1

Check that you have shown all your income.

Step 2

Add up all the amounts in the right-hand column for items **1** to **12** on pages 2 to 3 of your tax return.

Step 3

If below item **12** on your tax return you have no amount at **I** go to step 4, otherwise read on. If the amount at **I** is a loss you take it away from your total from step 2, otherwise add the amount at **I** to your total from step 2.

Step 4

Write your answer at **Total income or loss**.

If your answer is a loss, print **L** in the **LOSS** box at the right of **Total income or loss**.

Where to go next

- Go to Claiming deductions 2020.
- Return to main menu Individual tax return instructions 2020.
- Go back to Income that you show on the supplementary section of the tax return 2020.

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