



TOFA 3 & 4 election for portfolio treatment of fees, discounts and premiums

WHEN TO USE THIS FORM

Use this form if both of the following apply:

- Division 230 of the *Income Tax Assessment Act 1997* (ITAA 1997) applies to the entity's financial arrangements
- the entity wants to make the election for the portfolio treatment of fees, discounts and premiums.

! The entity must meet certain eligibility criteria before it is able to make the election for portfolio treatment of fees, discounts and premiums. You should refer to the criteria contained in section 230-150 of the ITAA 1997.

WHEN THE ELECTION CAN BE MADE

You can make this election at any time; however, it will only apply to financial arrangements the entity starts to have in the income year in which the election is made and later income years.

COMPLETING THIS FORM

- You do not need to notify us of this election. If you make this election, you must keep a copy of the completed form with the entity's tax records.
- You must also keep records of:
 - your determination of the expected life of the portfolios
 - your determination of the method by which the gain or loss is to be spread
 - the basis on which you determined the expected life and method.

- Only authorised people can make the election for portfolio treatment of fees, discounts and premiums on behalf of an entity. Authorised people include:
 - a partner of the partnership
 - the public officer of the company
 - the trustee (or public officer) of the trust
 - an office holder of the association
 - an agent duly authorised by the entity, such as a tax agent, accountant or trusted employee.
- Only one authorised person will need to make the declaration in this form – for example, one partner of the partnership. An agent is duly authorised by the entity if the entity has given the agent a signed declaration stating that:
 - they authorise the agent to make the election on behalf of the entity
 - any information provided to the agent for preparation is true and correct.
- You can choose to complete this PDF form on screen. If you do so, you must print the completed form in order to sign it.

Section A: Entity details

1 Name of the entity making the election

2 Tax file number (TFN) and Australian business number (ABN)

TFN

ABN

Section B: Election declaration

3 Declaration

! You should carefully consider if you want to make this election. Once you make this election, it cannot be revoked.

By signing this declaration, I declare that:

- the entity elects for portfolio treatment under section 230-150 of the ITAA 1997
- I am authorised to make this election on behalf of the entity to whom it applies
- all information contained in this form is true and correct to the best of my knowledge.

Signature

Date election and declaration made

Day	Month	Year
<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

4 Name of the individual making the declaration

> MORE INFORMATION

For more information about TOFA 3 & 4:

- visit our website at **ato.gov.au**
- phone us on **13 28 66** between 8.00am and 6.00pm, Monday to Friday.