

## RaboPlus Tax Statement Guide

### Introduction

RaboPlus has prepared the 2009 Taxation Statement Guide ("Guide") to assist you in using the RaboPlus Annual Tax Statement ("Tax Statement") and Capital Gains Tax Statement ("CGT Statement") to complete your tax return for the 2009 income year. In addition, the Guide contains an explanation of the terms used in the Tax Statement and the CGT Statement.

The Tax and CGT Statements have been prepared on the basis that you are an individual Australian resident. If you are not an individual, you may still use the information in this Guide, although some adjustments may be necessary.

### ATO Publications

The Australian Taxation Office ("ATO") produces a range of publications that can assist you prepare your tax return, including:

- TaxPack 2009 and the 2009 Supplement.
- If you have received foreign income, then you will need a copy of "How to Claim a Foreign Tax Credit 2009" and the "Foreign Income Return Form Guide 2008-2009".
- If you have made a capital gain or loss, then you will need a copy of "Personal Investors Guide to Capital Gains Tax 2009".
- If you have made a capital gain or loss and have other types of capital gains and losses in addition to managed funds, then you will need a copy of "Guide to Capital Gains Tax 2008-2009".
- If you have received franking credits from an investment in this financial year that was held for less than 45 days, you will need a copy of "You and Your Shares 2009".
- If you don't have to lodge a 2009 Tax Return and receive franking credits from an investment, you may be entitled to a refund of franking credits. For information as to whether you are entitled to a refund of franking credits, please contact the ATO on 1300 720 092 to obtain the "2009 Application for Refund of Franking Credits for Individuals".

To obtain any of the above publications, please:

- Call the ATO's Publications Distribution Service on 1300 720 092; or
- Visit an ATO office – see TaxPack 2009 for details; or
- Download them from the Internet at [www.ato.gov.au](http://www.ato.gov.au)

### Information in the Tax Statement

The Tax Statement we provide you with is an aggregation of the distributions received from, and tax components reported by, your managed funds held via RaboPlus.

If you have other investments or other sources of income, then you will need to take these into consideration in determining your overall tax position.

## Part A – Summary of 2009 tax return (supplementary section) items

### Australian Non-Primary Production Income

[Label 13U]

This amount is the total of your share of the net assessable Australian income derived by your managed funds held via RaboPlus (including your share of franking credits). It does not include net capital gains and foreign income (if any) derived by your managed funds.

### Other deductions relating to distributions

[Label 13Y]

This label is nil because the only expense charged by RaboPlus is the initial brokerage, which has been added to the cost base of the relevant managed fund for CGT purposes. In addition, expenses incurred by your managed funds are not included at this label, as any deductible expenses incurred by your managed funds have been incorporated into the net amount in label 12U (see above).

### Franking credits

[Label 13Q]

This amount is your total entitlement to franking credits from your managed funds. Please refer to the ATO publication "You and Your Shares" for information on your eligibility for franking credits.

### Credit for TFN amounts withheld

[13R] / [13P]

This amount represents TFN amounts withheld by RaboPlus from distributions to you where you have not provided RaboPlus with a TFN or ABN (as the case may be). The TFN amount withheld will be credited against your tax assessment, and may be refunded by the ATO depending on your overall tax position.

### Credit for tax paid by trustee

[13S]

All individuals over 18 should be presently entitled to all income (i.e., from managed funds and RaboPlus). Accordingly, this label should be nil.

### Credit for foreign resident / MIT fund payment withholding

[13A]

This amount represents credit for foreign resident withholding or managed investment trust fund payment amounts withheld. This label should be nil.

### Total current year capital gains

[18H]

This is the sum of the discount capital gains (grossed-up) plus indexed capital gains plus other capital gains distributed to you by your managed funds.

Details of your total capital gains are contained in Section B below.

Please note that if you have capital gains or current year or prior year capital losses from other sources, or have received a CGT Statement, then you will need to take these into account in determining your overall CGT amount for tax purposes.

### Net capital gain

[18A]

The net capital gain is the sum of the net discount gain plus indexed capital gains plus other capital gains distributed to you by your managed funds.

Details of the net capital gain are outlined in Section B and C below.

## FIF income/CFC income

[19C] / [19K]

If your managed fund has CFC or FIF attributed income, you should include these amounts at Item 18.

## Assessable foreign source income / Other net foreign source income

[20E] / [20M]

These amounts will generally be the same and are the sum of your entitlement to foreign source income (including foreign tax paid). Details are outlined in Section C below.

## Aust Franking Credits for NZ Companies

[20F]

This amount represents franking credits arising from tax paid in Australia by a New Zealand company. To check your eligibility to claim these Australian franking credits please refer to the ATO publication "You and Your Shares 2009".

## Foreign income tax offsets

[20O]

If your total foreign income tax offsets from all sources for the year do not exceed \$1,000, then you can claim this amount in full. If this is not the case, the foreign income tax offset you are entitled to claim cannot exceed the amount of Australian tax that would be payable on that foreign income. You will need to refer to the ATO publication on foreign income tax and credits (above) in order to calculate the total amount of foreign income tax offsets you are entitled to claim.

## Other income – Category 1

[24Y]

Category 1 other income is a specific list of other income types. Please refer to the ATO 2009 Supplement. This amount should be nil.

## Other income – Category 2

[24V]

This amount represents any other income that is not included in Category 1. For your funds, this mainly would relate to the amount of management fee rebates you have received.

## Part B – Capital gains tax information

This part contains information relevant for the total capital gain (18H) outlined in Part A.

## Part C – Components

### Australian income

This section contains a breakdown of your non-primary production income (as disclosed in Part A Item 13 U). This information is necessary for investors who use the "Application for refund of imputation credits 2009."

### Capital gains

This section allows you choose the order in which any capital losses you have are allocated against your different types of capital gains. It also provides details for investors who are required to complete the "CGT Schedule" in their tax return.

### Discounted capital gain

This is your share of net capital gains distributed by your managed funds that have been calculated under the 50% discount method (which applies to gains made from CGT assets that have been held for more than 12 months).

You will need to gross this amount up (the discounted capital gain multiplied by two) when determining your overall CGT amount for your tax return.

First, you must apply any current year or prior year capital losses that have not been allocated against Capital Gains - Indexation Method or Capital Gains – Other Method.

Then, you must apply the appropriate CGT discount to the remaining discounted capital gain, which for individuals is 50%.

#### CGT concession amount

This amount is the non-assessable CGT discount distributed by your managed funds. This amount should not be included in your assessable income and is not relevant in determining your gross discounted capital gain. The discounted capital gain and the CGT concession amounts may be different due to expenses of the managed fund being allocated against the assessable discounted capital gain and not the CGT concession amount, and from underlying distributions received by the managed fund.

#### Capital gains – indexation method

This amount is the capital gain calculated by your managed funds under the indexation method. Broadly, the indexation method applies to investments sold that were acquired before 21 September 1999.

Generally, managed funds are likely to have chosen the indexation method only where the indexed capital gain was less than the 50% discount capital gain.

#### Capital gains – other method

This amount shows the capital gains for which the 50% discount method and indexation method are not available (such as assets acquired after 21 September 1999 and not held for 12 months).

#### Distributed capital gains

This amount represents the actual cash amount of capital gains distributed by your managed funds and includes the non-assessable CGT concession amount. You do not need to take this amount into consideration when determining your overall CGT amount for tax purposes.

#### Net capital gain

If you have no other capital gains from other investments and have not received a CGT Statement, and no current year or prior year capital losses, then this amount is your net capital gain and is disclosed in label 18A.

If you have other capital gains, or current year or prior year capital losses, or have received a CGT Statement, then you will need to take these into account in determining your overall CGT amount for tax purposes.

#### Foreign income

These amounts are shown to reconcile the cash and taxable amounts of foreign income distributed by your managed funds.

#### Other non-assessable amounts

##### (1) Tax-exempted amounts

This amount represents exempt income of your managed funds and does not reduce your cost base or reduced cost base of your investments.

##### (2) Tax-free amounts

This amount represents certain non-taxable amounts derived by your managed funds, such as certain infrastructure investments and income from Pooled Development Funds.

If you make a capital loss from a disposal of an investment in a managed fund, then the capital loss will be reduced if the managed fund has distributed tax-free amounts.

RaboPlus keeps a record of tax-free amounts distributed by your managed funds, and will take the tax-free amounts into account in the CGT Statement (as applicable).

##### (3) Tax-deferred amounts

This amount represents income that is not assessable due to differences in the accounting and taxable income of the managed funds. Usually, the difference is represented by depreciation and building allowance tax deductions.

Importantly, whilst tax deferred amounts are not assessable income, they will reduce your cost base in the managed fund distributing the tax-deferred amount. When your cost base is reduced to nil, subsequent tax deferred amounts distributed are assessed as capital gains.

RaboPlus keeps a record of tax-deferred amounts distributed by your managed funds, and will take the tax-deferred amounts into account in the CGT Statement (as applicable).

## RaboPlus CGT Statement

If you have disposed of any of your managed funds or otherwise made a capital gain or capital loss in respect of your investment in a managed fund, then you will be provided with a CGT Statement.

The information in the CGT Statement will allow you to calculate your overall CGT amount for tax purposes. When completing the CGT section of your income tax return, you should seek professional advice if you are unsure of the application of the CGT rules.

Importantly, the information provided in the CGT Statement is based on the following:

- the “default” parcel selection is first in first out (“FIFO”), unless you specify which parcel of units are being disposed of;
- you are an individual;
- the disposal of the assets occurred during the 12 month period ended 30 June 2009;
- you hold investments via RaboPlus for the purpose of investment rather than resale at a profit such that the CGT provisions apply to you;
- all the information provided has been obtained from the underlying managed funds; and
- the initial brokerage has been added to the cost base of your managed funds.

The CGT amounts outlined in the CGT Statement may be different for you if:

- you have incurred other expenses (other than the initial brokerage) that need to be taken into account when calculating the cost base of an investment being disposed of;
- you cease to be an Australian resident for tax purposes;
- the investment disposed of constitutes “trading stock” or is assessable as ordinary income;
- the investment disposed of related to a deceased individual;
- the investment disposed of was transferred to you from a deceased estate;
- the investment disposed of was transferred pursuant to a divorce settlement;
- you have other investments outside RaboPlus or have been subject to other CGT events outside of RaboPlus; or
- you have purchased or sold investments not at market value.

### Summary of realised capital gains

The summary is an overview of capital gains realised on your investments in RaboPlus.

If you have no other capital gains or current year or prior year capital losses, then the net capital gains will be included in your assessable income.

In calculating your net capital gain for the CGT Statement, RaboPlus has allocated any available capital losses in the following order:

1. Gains not eligible for discount; and
2. Gains eligible for discount.

### Details of realised capital gains

#### Date

This is the date the CGT event occurred to your investment.

For “sell” transactions, this will generally be the date the contract of disposal was entered into.

For “buy” transactions, this will generally be the date the contract of acquisition was entered into.

#### Transaction type

This outlines the transaction that gave rise to the CGT event.

An "Excess" refers to where your cost base in a managed fund has been reduced to nil as a result of tax deferred amounts distributed by that managed fund, such that subsequent tax deferred amounts distributed are assessed as capital gains. Capital gains resulting from an Excess may be reduced by the CGT discount.

#### Managed Fund

This refers to the managed fund for which the CGT event has occurred.

#### Sale Proceeds

The sale proceeds are the capital proceeds for CGT purposes.

#### Selection Basis

This is the method in which the parcel disposed of has been selected for the purposes of determining your capital gain or capital loss.

#### Date of Acquisition

This is the date the managed fund was acquired for CGT purposes.

#### Original Cost

This is the cost of acquisition of the managed fund and includes the initial brokerage.

#### Cumulative Non-assessable Distributions

This is the total of tax deferred distributions which reduced your original cost base, or has resulted in a capital gain where the original cost base has been reduced to nil. If a capital loss arises, certain tax free distributions which may affect the calculation are also taken into account (but are not reflected in this total).

#### Capital loss

A capital loss will arise where the capital proceeds are less than the original cost base (adjusted for any tax-free amounts).

#### Gains not eligible for discount

Where you have held a managed fund for less than 12 months, then any gain arising will not be eligible for the CGT discount.

#### Gains eligible for discount

Where you have held an investment in a managed fund for more than 12 months, then any capital gain arising may be eligible for the CGT discount. The amount shown is the gross amount before the discount is applied.

After applying any available losses, you then apply the appropriate CGT discount, which for individuals is 50%.