

# Tax guide 2023–24



Your Annual tax statement and this guide

## How to use this guide

This Tax guide has been prepared for taxpayers with an account in CFS Edge Investments. This guide will assist you in completing your 2024 tax return, when used in conjunction with your Annual tax statement (Statement).

Your Statement may include income, capital gains/losses and deductions from your investment account.

The trustee of a super fund lodges a super fund tax return which includes the income, capital gains/losses and deductions for super and pension accounts.

If you have income, capital gains/losses or deductions from investments other than those shown in your Statement you'll also need to include these details in your tax return.

Simply follow the steps outlined in this guide for each part of your Statement, while referring to your 2024 tax return.

The information in this guide is for use by Australian resident individuals in the submission of the 2024 tax return to the Australian Taxation Office (ATO).

## Your tax return

You may also be required to complete an additional schedule called "Trust Income Schedule 2024". You can obtain a copy of these forms by contacting the ATO or visiting [ato.gov.au](https://ato.gov.au).

Alternatively, you can lodge your tax return electronically with myTax, available online via [my.gov.au](https://my.gov.au).

**This Tax guide contains information only and is not tax advice.**

**Please contact your tax agent or accountant about personal tax matters. You should seek independent, professional tax advice before making any decision based on this information.**

For information about your investments, or if you have any questions about this guide, please speak with your adviser.

## Australian income (non-primary production)

Tax summary report – Australian income	Tax return reference			
<b>Interest</b>	<b>Individual</b>	<b>SMSF</b>	<b>Company</b>	<b>Trust</b>
Interest income	10L	11C	6F (Income)	11J
Interest income other	10L	11C	6F (Income)	11J
<b>Dividends</b>	<b>Individual</b>	<b>SMSF</b>	<b>Company</b>	<b>Trust</b>
Unfranked amount	11S	11J	6H (Income)	12K
Franked amount (excluding franking tax credits)	11T	11K	6H (Income)	12L
Australian dividend franking credits	11U	11L	7J	12M
<b>Trust distributions</b>	<b>Individual</b>	<b>SMSF</b>	<b>Company</b>	<b>Trust</b>
Franked distributions from trusts (inclusive of franking)	13C	11M	6E (Income)	8F
Unfranked distributions	13U	11M	6E (Income)	8R
Interest income	13U	11M	6E (Income)	8R
Other income – CBMI	13U	11M	6E (Income)	8R
Other income excluding NCMI	13U	11M	6E (Income)	8R
Other income – NCMI	13U	11M	6E (Income)	8R
Other deductions (relating to trust distributions)	13Y	12L1	6S (Expenses)	16P

### Australian income

Refer to the income statement report, for the full breakdown of the components, for each of your investments.

### Interest income other

These amounts are compensation payments that are treated as interest for tax purposes.

### Gross trust distribution income

If you have an investment in a managed fund that has elected into the Attribution managed investment trust (AMIT) regime, the AMIT can attribute tax components to you which may differ from the cash distributed. This may result in the total income amount not reconciling with cash received. Where applicable, this difference will result in an AMIT cost base adjustment amount for the investment.

We have applied any AMIT cost base adjustment amount to the cost base/reduced cost base of your AMIT investment. For each of your AMIT investment, this adjustment is shown in excess (reduce cost base) or shortfall (increase cost base) column in the income statement report.

## Distribution income – other deductions

Certain expenses incurred by a managed fund or other trust, while earning business income, are tax deductible. These deductions may be disclosed by the fund or trust and used to reduce the taxable portion of distributed income.

## Franking credits

This amount does not include franking credits that are denied by 45/90 day rule. Refer to Australian franking credits denied 45/90 day rule section in your tax statement for a breakdown of franking credits that did not satisfy the 45/90 day rule.

If you're an individual investor and your total franking credits from all sources are less than \$5,000, you may be entitled to the 'small shareholder exemption' from the 45/90 day rule. In this case you can include the Australian franking credits denied by the 45/90 day rule in your franked dividends and claim those franking credits.

## Foreign income

<b>Tax summary report – foreign income</b>	<b>Tax return reference</b>			
<b>Dividends</b>	<b>Individual</b>	<b>SMSF</b>	<b>Company</b>	<b>Trust</b>
Foreign source income (including tax offsets)	20M + 20E	11D +11D1	8R + 8G	23V + 23B
Australian franking credits from a NZ company	20F	11E	7C	23D
Gross foreign income	-	-	-	-
<b>Trust Distributions</b>	<b>Individual</b>	<b>SMSF</b>	<b>Company</b>	<b>Trust</b>
Foreign source income (including tax offsets)	20M + 20E	11D +11D1	8R + 8G	23V + 23B
Attributable income CFC	19K	11D +11D1	8B or 8 U	22M or 22X
Non-taxable income	N/A	-	-	N/A

## Foreign income – dividends

This section shows any foreign source income you received from your foreign equities.

## Foreign income – trust distributions

This section shows any foreign income distributed/attributed from your managed funds/AMIT.

## Other income

Tax summary report – other income	Tax return reference			
	Individual	SMSF	Company	Trust
Disposal of traditional securities	24Y (Gains) D15 (Losses)	11S (Gains) 12L1 (Losses)	6R Income (Gains) 6S Expenses (Losses)	140 (Gains) 18Q (Losses)
Other assessable income	24Y	11S	6R Income	140
Foreign exchange gains	24Y (Gains)	11S (Gains)	6R Income (Gains)	140 (Gains)
Management fee rebate	24Y (Gains)	11S (Gains)	6R Income (Gains)	140 (Gains)

### Gains/losses from disposal of traditional securities

Traditional securities represent a class of instruments listed on the Australian Securities Exchange (ASX) that are taxed outside the CGT regime. The instruments concerned are generally interest-bearing securities (e.g. convertible notes) that were issued after 10 May 1989. Traditional securities upon disposal, redemption, or conversion (for convertible notes issued on or before 14 May 2002) crystallise a profit or loss that is considered to be either assessable income or a deductible item.

For convertible notes issued after 14 May 2002, the conversion will not crystallise a profit or loss, but rather, the position will be carried forward within the cost base of the newly converted equity interest. This treatment applies only where the notes are converted into ordinary shares.

### Foreign exchange gains

Any foreign exchange rate conversion gains in relation to foreign income paid from international equities and foreign currency cash account withdrawals will be included here. This is the total of gains from “FX Gains / (losses) from income events” and gains from “FX Gains (losses) from your foreign cash account” on your tax statement.

Foreign exchange rate conversion in relation to purchase/disposal and settlement of international equities that are CGT assets will not be included here. For purchases, the foreign exchange gain/loss will be included in the cost base of the asset. For disposals, the foreign exchange gain/loss will be recognised as a separate CGT gain/loss. These amounts can be seen under “FX Capital gains / (losses) from disposal of assets” on your tax statement.

## Tax offsets

Tax summary report – tax offsets	Tax return reference			
Tax offsets	Individual	SMSF	Company	Trust
Australian dividend franking credits	11U	11L + 13E1	-	12M
Foreign dividend tax offsets	200	13C1	20J	23Z
Trust franking credits	13Q	13E1	-	8D
Trust foreign income tax offsets <sup>1</sup>	200	13C1	20J	23Z
Australian franking credits from a NZ company	20F	11E+13E1	7C	23D
Early-stage venture capital partnership	T7K	D1	22L	55H
Early stage investor	T8L	D3	23M	55I

### Trust foreign income tax offset

Any foreign income tax offset (FITO) that can be claimed should be reported in the relevant fields on your tax return. If your total FITO paid from all sources for the year is \$1,000 or less, you do not have to calculate your FITO limit. Please refer to the ATO publication guide to foreign income tax offset rules 2024 available at [ato.gov.au](https://ato.gov.au) to work out your FITO limit.

Where the FITO amount includes any foreign taxes paid on capital gains, it may not be appropriate to claim the full FITO amount shown (even if your FITO is less than \$1,000). You may need to reduce the FITO for any CGT discount or capital losses applied against those foreign capital gains. You should seek independent tax advice to determine your entitlement (or otherwise) to a FITO.

Where FITO distributed on foreign capital gains is reported on the fund's tax statement, we will report the FITO in your Statement without any modification or discounting. If the FITO breakdown is not reported on the fund's tax statement, it will not be reported in your Statement. A breakdown of FITO and any details of foreign taxes paid on capital gains can be obtained direct from the funds themselves.

### Foreign dividend tax offsets

Foreign tax withheld on income from international equities will be reported here. You can only claim a foreign tax offset on the foreign income tax rate imposed in accordance with the tax treaty the country has with Australia. You should seek independent tax advice to determine your entitlement (or otherwise) to a foreign tax offset in respect of the foreign tax withheld.

<sup>1</sup> It may not be appropriate to claim the foreign income tax offset amount shown. Please refer to the ATO publication guide to foreign income tax offset rules at [ato.gov.au](https://ato.gov.au)

# Deductions

Tax summary report – deductions		Tax return reference			
Tax withheld	Individual	SMSF	Company	Trust	
TFN withholding tax	13R	13H3	H4	8E	
Non-resident withholding tax	-	-	-	-	
Other deductions	Individual	SMSF	Company	Trust	
LIC capital gain amount	D8H	12L1	-	16P or 16R	
Foreign exchange loss	D15	12L1	6S Expenses	18Q	

## Fees and expenses

Please consult your adviser and/or tax professional on the appropriate tax treatment of the fees and expenses deducted from your account.

## TFN withholding tax

If you haven't supplied your tax file number (TFN) (or relevant exemption) to us, we've deducted tax at the highest marginal tax rate (45% plus Medicare levy and other applicable levies) from income received (or attributed for AMIT investments) and paid it to the ATO. This TFN withholding tax will be offset against the tax payable on your income or refunded to you by the ATO when you lodge your 2024 tax return.

By providing us with your TFN, we won't be required to apply withholding tax at the highest marginal tax rate in future years.

## LIC capital gain amount

If a LIC pays a dividend to you including a LIC capital gain amount, you may be entitled to an income tax deduction. If this is applicable to you the amount is shown as LIC capital gain amount under other deductions.

## Foreign exchange loss

Any foreign exchange rate conversion losses in relation to foreign income paid from international equities and foreign currency cash account withdrawals will be included here. This is the total of losses from "FX Gains / (losses) from income events" and losses from "FX Gains /(losses) from your foreign cash account" on your tax statement.

Any foreign exchange rate conversion in relation to purchase/disposal and settlement of international equities that are CGT assets will not be included here. For purchases, the foreign exchange gain/loss will be included in the cost base of the asset. For disposals, the foreign exchange gain/loss will be recognised as a separate CGT gain/loss.

## Capital Gains/(losses)

Tax summary report – capital gains/ (losses)	Tax return reference			
Capital gains from trust distributions	Individual	SMSF	Company	Trust
Discounted capital gains TAP	-	-	-	-
Discounted capital gains TAP – CBMI	-	-	-	-
Discounted capital gains TAP excluding NCMI	-	-	-	-
Discounted capital gains TAP – NCMI	-	-	-	-
Discounted capital gains non-TAP	-	-	-	-
AMIT CGT Gross up	-	-	-	-
Non-AMIT CGT concession	-	-	-	-
CGT concession	-	-	-	-
CGT concession – CBMI	-	-	-	-
CGT concession excluding NCMI	-	-	-	-
CGT concession – NCMI	-	-	-	-
Index capital gains TAP	-	-	-	-
Index capital gains non-TAP	-	-	-	-
Other capital gains TAP	-	-	-	-
Other capital gains TAP – CBMI	-	-	-	-
Other capital gains TAP excluding NCMI	-	-	-	-
Other capital gains TAP – NCMI	-	-	-	-
Other capital gains non-TAP	-	-	-	-
CGT concession/AMIT other capital gains	-	-	-	-
Foreign capital gains – discount	-	-	-	-
Foreign capital gains – other method	-	-	-	-
Foreign capital gains – indexed	-	-	-	-
Capital gains losses from disposal of assets	Individual	SMSF	Company	Trust
Discounted capital gains	-	-	-	-
CGT concession	-	-	-	-
Index capital gains	-	-	-	-
Other capital gains	-	-	-	-
Other foreign exchange capital gains	-	-	-	-
Capital loss <sup>2</sup>	-	-	-	-
Other foreign exchange capital loss	-	-	-	-
Total current year capital gains	18H	-	-	-
Net capital gain <sup>3</sup>	18A	11A	7A	21A
Net capital losses carried forward	18V	14V	13V	27V

<sup>2</sup> Capital loss is the current year capital loss from disposal of assets, prior to the offset of any capital gains.

<sup>3</sup> Where there are capital losses, these losses have been firstly offset against other capital gains, then index capital gains then lastly against the gross up discounted capital gains.

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## Capital gains from trust distributions

This section shows any capital gains distributed/attributed from your managed funds/AMIT.

### Types of capital gains

#### Discounted capital gains

This amount represents gains that have been calculated using the discount method for investments held for more than 12 months. The discount method does not apply indexation to the cost base of the investment but has been discounted by the CGT discount percentage applicable to you.

The discount percentages that have been applied in your Statement are:

- Individuals and trusts – 50% of the full nominal gain
- Super funds – 33.33% of the full nominal gain

Companies are not eligible for the discount and therefore have no discounted capital gains.

#### Index capital gains

This amount represents capital gains that have been calculated using the indexation method for investments acquired on or before September 1999. This method essentially adjusts the cost base for inflation (if held for more than 12 months) but with indexation frozen at September 1999 for any disposals subsequent to that date. Where a discount capital gain is less than an indexed gain, the statement will display the CGT discount and CGT concession. You can find more detail on the index gain amounts in the Income Statement Report online.

#### Other capital gains

This amount represents capital gains made on assets held for less than 12 months. Such gains do not qualify for either indexation or the CGT discount. This is also referred to as a 'short gain'.

#### CGT concession

This amount represents the non-taxable component of a discountable capital gain distribution from a managed fund that is not an AMIT.

This also includes other capital gains distributions from an AMIT. This is the non-taxable cash distribution from an AMIT in relation to capital gains other than the amounts already shown as discounted capital gains, index capital gains or other capital gains. This amount need not be equal to the AMIT CGT gross up amount.

The AMIT CGT gross up amount only relates AMIT investments. It is similar in nature to the CGT concession amount for other trusts except that under the AMIT regime, it will equal the amount of discounted capital gains. It is not taxable but is included as a cost base increase for the AMIT investment.

#### Capital gains(losses) from disposal of assets

This section shows the capital gains or losses arising from the disposal of your investments.

#### Capital loss

Capital loss is the current year capital loss from disposal of assets, prior to the offset of any capital gains.

Generally, you make a capital loss if your reduced cost base is greater than your capital proceeds from the disposal of the investment. The excess is your capital loss. This amount has been calculated for you.

#### Total current year capital gains

This is your total amount of capital gains and includes the grossed-up amount of discounted capital gains.

#### Net capital gain

This your net capital gain after offsetting any current year capital losses and after applying CGT discount (if applicable).

Where there are capital losses, these losses have been firstly offset against other capital gains, then index capital gains then lastly against the gross up discounted capital gains.



## Non-assessable income

Tax summary report – non-assessable income		Tax return reference		
Non-assessable income	Individual	SMSF	Company	Trust
Return of capital	-	-	-	-
Tax-free income	-	-	-	-
Tax deferred income	-	-	-	-
Tax exempt income	-	-	-	-
Non-assessable non-exempt income	-	-	-	-
Non-assessable compensation	-	-	-	-
Other non-attributable amount	-	-	-	-
AMIT cost base net amount	Individual	SMSF	Company	Trust
Excess (reduce cost base)	-	-	-	-
Shortfall (increase cost base)	-	-	-	-

### Tax deferred income

This category represents distributions that are not taxable to you. They have arisen due to differences between accounting and taxable income. Tax deferred income may alter your cost base for CGT purposes when you sell your investments.

### Tax-free income

This category represents non-assessable income which has been included as part of distributions you have received from investments held during the year. Tax-free income may alter your cost base for CGT purposes when you sell your investments.

### Non-assessable compensation

These amounts include any compensation calculated and paid to your cash account during the year.

### Other non-attributable amount

These amounts only relate to AMIT investments and broadly correspond to amounts that, for a non-AMIT, are shown separately in your statement as tax free amounts and tax deferred amounts.

These amounts are not included in your taxable income but are included as a cost base adjustment amount for the AMIT investment.

### AMIT cost base net amount

We have applied any AMIT cost base adjustment amount to the cost base/reduced cost base of your AMIT investment. For each of your AMIT investment, this adjustment is shown in the excess (reduce cost base) or shortfall (increase cost base) column in the income statement report.

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## Tax guide assumptions

This guide makes a number of assumptions in order to assist you with completing your tax return. It assumes your investments are held on capital account. You should be aware that the document has considered the following information:

- Where you have disposed of investments during the year, CFS Edge automatically calculates capital gain tax using the default Minimum gain parcel allocation method. That means we first sell the parcels that are estimated to generate the lowest capital gain or highest capital loss for your account. Your adviser may elect a different parcel allocation method for your account.
- Your capital gains will have been discounted according to your investor status as reflected on our records. For example, if you're an individual or a trust a discount percentage of 50% has been applied.
- All amounts for jointly owned investments have been split proportionately between the owners. Where you hold investments in joint names, the amounts included in your Statement represent your proportion of jointly owned investment income. Each investor will receive an individual statement.
- For the purpose of CGT, your Statement does not take into account any carried forward capital losses that you may be entitled to offset against any realised capital gains.
- We have not applied the Taxation of Financial Arrangements (TOFA) rules to your account except where the security is a 'qualifying security' for tax purposes.
- You have not made an election out of the 12 month rule in relation to short-term foreign exchange transactions arising from the time between the acquisition or disposal of capital assets and settlement.
- Any erroneous disposals that have been reversed will not be reported as a capital gain in your Statement. However, these transactions can be viewed in the client transaction listing report. We recommend you review any erroneous disposal with your tax adviser to determine the appropriate tax treatment of the gain or loss arising from the erroneous disposal.

## Non-assessable distributions from stapled securities

Stapled securities are considered as separate legal entities for tax purposes, with distribution income and capital gains recognised separately for each underlying asset in the stapled structure.

For the purposes of calculating capital gains tax liabilities, separate cost bases will be maintained for each underlying asset of the stapled security.

Where tax deferred amounts are received, the separately maintained cost base for the asset making the distribution will be reduced.

## Qualifying securities

Inflation linked securities that satisfy the definition of a 'qualifying security' will be assessed under the accrual taxation regime.

The accrual calculation will be performed using publicly available information to determine the future cashflows to be received.

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## Trust Income Schedule 2024

The ATO has introduced an additional Schedule called 'Trust Income Schedule 2024'.

This additional Schedule does not need to be completed if you are lodging an individual tax return electronically via myTax or a tax agent and have completed the 'Managed Fund distributions' section of your tax return.

However, this additional Schedule is required to be completed for individuals lodging a paper tax return and non-individuals (for example trusts, SMSF and companies).

For investors that are required to complete this Schedule, please follow the ATO instructions on the ATO website [www.ato.gov.au/forms-and-instructions/trust-income-schedule-2024-instructions](http://www.ato.gov.au/forms-and-instructions/trust-income-schedule-2024-instructions)

In the 'Distribution details' section of the Trust Income Schedule 2024:

- Under the heading 'Name of distributing trust', please complete this as 'Colonial First State Investments Limited'.
- You do not have to provide the Distributing Trust ABN or ACN details as long as you entered your Investor number.
- Your Investor number is required and can be located in Part A of your Annual tax statement next to your account name.
- You can use the Part A of your Annual tax statement to complete the rest of the Schedule.

### Need more information?

For enquiries about your personal tax matters, please talk to your adviser or accountant or call us on **1300 769 619**, Monday to Friday, 8.30 – 6pm (Sydney) time.

This Tax guide has been prepared by Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL). CFSIL is the Investor Directed Portfolio Service (IDPS) operator, administrator and custodian of the Avanteos Wrap Account Service and issuer of CFS Edge Investments ('Operator', 'Administrator', 'we', 'us' or 'our'). This guide is not intended as tax advice or financial advice and provides information only. CFSIL is not a registered tax (financial) adviser under the Tax Agent Services Act 2009 (Cth), and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law. Taxation considerations are general and based on present taxation laws, rulings and their interpretation as at 30 June 2024. You should seek independent, professional tax advice before making any decision based on this information. The information provided in this document is general information only and does not take into account your objectives, personal financial or taxation situation, or needs. Because of that, before acting on the information, you should consider its appropriateness having regard to these factors. You should talk to your adviser and obtain financial advice relevant to your personal circumstances, and you should consider the IDPS Guide (for your IDPS account in the Service), before making any decision to acquire, or continue to hold, an interest in the Service. While all care has been taken in preparing this document (using reliable and accurate sources) to the extent permitted by law, neither CFSIL, nor any related parties, their employees or directors, accept responsibility for any loss suffered by any person arising from reliance on this information. Copyright in the Individual tax return instructions and individual tax return forms subsists in the Australian Taxation Office. 30283/FS8379/0724

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