



# TOFA 3 & 4 election to have Division 230 apply

## WHEN TO USE THIS FORM

Use this form to make the election under subsection 230-455(7) of the *Income Tax Assessment Act 1997* (ITAA 1997).

By making this election during an income year, Division 230 of the ITAA 1997 will apply to any financial arrangements the entity:

- started to have in that income year, and
- starts to have in later income years.

**!** You do not need to make this election if the entity meets the Taxation of Financial Arrangements Stages 3 & 4 (TOFA 3 & 4) thresholds (see below), as Division 230 of the ITAA 1997 will automatically apply to the entity's financial arrangements.

## TOFA 3 & 4 THRESHOLDS

Division 230 of the ITAA 1997 will apply to the financial arrangements of an entity in an income year (and later income years) if it is:

- an authorised deposit-taking institution, securitisation vehicle or certain other financial sector entities that had an aggregated turnover of \$20 million or more in the previous income year
- a superannuation entity or managed investment scheme that had assets of \$100 million or more in the previous income year
- any other entity type (but not an individual) that met any of the following in the previous income year
  - aggregated turnover was \$100 million or more
  - value of their assets was \$300 million or more
  - value of their financial assets was \$100 million or more.

Division 230 of the ITAA 1997 will also apply automatically to an entity's financial arrangements in the income year that it comes into existence (and later income years) if it satisfies any of the above thresholds in that income year.

## WHEN THE ELECTION CAN BE MADE

You can make this election at any time; however, it will only apply to the financial arrangements that the entity starts to have in the following:

- the income year in which the election is made
- a later income year.

## COMPLETING THIS FORM

- You do not need to notify us of this election. If you make this election, you must keep the completed and signed form with the entity's tax records.
- Only authorised people can make this election 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 must complete all sections of this form.
- You may choose to complete this PDF form on screen. If you do so, you must print the completed form in order to sign.

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## 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 to have Division 230 of the ITAA 1997 apply to all the*
  - *financial arrangements it starts to have in the income year in which this election is made or a later income year, and*
  - *existing financial arrangements it has if the TOFA 3 & 4 transitional election for existing financial arrangements is validly made*
- *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.