



EXPLANATORY NOTES FOR THE LIFE INSURANCE COMPANIES TAXATION SCHEDULE – CONSOLIDATED GROUPS 2012

INTRODUCTION

These notes are designed to help in the preparation of the *Life insurance companies taxation schedule – consolidated groups 2012*. They are **not** a guide to the income tax law.

The single entity rule is to be disregarded for certain purposes when working out the amounts that are shown on this schedule. See section 713-510A of the *Income Tax Assessment Act 1997* (ITAA 1997) for more information.

STATEMENT OF INCOME – SEGREGATED EXEMPT ASSETS (SEA)

Net investment income – SEA

If a life insurance company reconciles accounting income to taxable income, it must include at **A** the total accounting net investment income for SEA.

If a life insurance company uses a taxation basis to determine income derived from SEA, supply the following details of ordinary and statutory income derived from SEA: all investment income from SEA **less** losses made from the disposal of SEA. Investment income includes gains made on the disposal of investments, interest income, dividend income, trust distributions, partnership distributions, net rental income and all other investment income.

Show whether the company used an accounting basis or a taxation basis to determine net investment income derived from SEA by printing **X** in the relevant box at the right of the amount shown at **A**.

Premiums – exempt life insurance policies

Write at **B** the total amount of gross premiums received from exempt life insurance policies.

STATEMENT OF TAXABLE INCOME – ASSESSABLE INCOME

Premiums from accident and disability and term policies

Write at **C** the total amount of gross premiums received from:

- accident and disability policies (including continuous disability policies)
- term policies, and
- the value of assets (including money) relating to the 'risk rider' component of life insurance premiums transferred from the complying superannuation/FHSA asset pool under subsections 320-180(1) and 320-195(3) of the ITAA 1997.

Premiums – other life insurance policies

Write at **D** the total amount of gross premiums received from all life insurance policies for the ordinary class except for:

- exempt life insurance policies, and
- the amounts included in **C**.

Write at **E** for the complying superannuation/FHSA class the total amount of gross premiums received from complying superannuation/FHSA life insurance policies.

Total ordinary income – ordinary class

Write at **F** the assessable income that is income according to ordinary concepts for all members of the consolidated group, except for the ordinary income of the complying superannuation/FHSA class of any life insurance company which is a member of the consolidated group.

Total complying superannuation/FHSA assessable income

Write at **G** the assessable income that is allocated to the complying superannuation/FHSA class under subsection 320-137(2) of the ITAA 1997. The total assessable income includes both income according to ordinary concepts and statutory income.

The total assessable income of the complying superannuation/FHSA class also includes transfers to the complying superannuation/FHSA asset pool, as stated in **Transfers to complying superannuation/FHSA asset pool** on the next page of these instructions. The amount shown at **G** must include the amount of these transfers.

TOFA gains in Total ordinary income – ordinary class **F** and Total complying superannuation/ FHSA assessable income **G**

If the life insurance company had financial arrangements which resulted in assessable TOFA gains, then:

- write at **U** the amount of assessable TOFA gains of the ordinary class that are income according to ordinary concepts included at **F**
- write at **T** the amount of assessable TOFA gains of the complying superannuation/FHSA class included at **G**.

STATEMENT OF TAXABLE INCOME – ALLOWABLE DEDUCTIONS

Complying superannuation/FHSA class tax losses claimed

Write at **H** the amount of tax losses of the complying superannuation/FHSA class claimed as a deduction under section 320-141 of the ITAA 1997.

Do not show any amount in part A of the *Consolidated groups losses schedule 2012* for tax losses of the complying superannuation/FHSA class but show complying superannuation/FHSA class tax losses carried forward to later income years and complying superannuation/FHSA net capital losses carried forward to later income years in part D of the *Consolidated groups losses schedule 2012*.

Other tax losses

Show other tax losses at item **3 Tax losses utilised** in part A of the *Consolidated groups losses schedule 2012*, and all other relevant items in the *Consolidated groups losses schedule 2012*.

Total allowable deductions – complying superannuation/FHSA class

Write at **I** the total allowable deductions of the complying superannuation/FHSA class. This includes tax losses of the complying superannuation/FHSA class determined in accordance with section 320-141 of the ITAA 1997 and deductions other than tax losses determined in accordance with subsection 320-137(4) of the ITAA 1997.

The deductions shown at **I** cannot be greater than the assessable income shown at **G**. Where the deductions calculated at **I** are greater than the assessable income shown at **G**, show at **I** the amount recorded at **G**.

TRANSFERS

Transfers to complying superannuation/FHSA asset pool

Write at **L** the transfer value of assets (including money) transferred by the company to the complying superannuation/FHSA asset pool under subsections 320-180(3) and 320-185(1) of the ITAA 1997.

Transfers from complying superannuation/FHSA asset pool

Write at **M** the following amounts:

- the transfer value of assets (including money) transferred by the company from the complying superannuation/FHSA asset pool under subsection 320-180(1) of the ITAA 1997, and
- assets transferred (including money) under subsection 320-195(3) of the ITAA 1997 having a total transfer value equal to the following
 - all fees from investment-linked policies
 - policy fees and administration fees from other than investment-linked policies, and
 - premium-based fees from other than investment-linked policies.

Do not include the value of assets (including money) relating to the 'risk rider' component of life insurance premiums transferred from the complying superannuation/FHSA asset pool under subsections 320-180(1) or 320-195(3) of the ITAA 1997.

Transfers to SEA

Write at **N** the transfer value of assets (including money) transferred to the company's SEA under subsections 320-235(3) and 320-240(1) of the ITAA 1997.

Transfers from SEA

Write at **O** the following amounts:

- the transfer value of assets (including money) transferred from the company's SEA under subsection 320-235(1) of the ITAA 1997, and
- assets (including money) transferred under subsection 320-250(2) of the ITAA 1997 having a total transfer value equal to the following
 - all fees from investment-linked policies
 - policy fees and administration fees from other than investment-linked policies, and
 - premium-based fees from other than investment-linked policies.

TAXPAYER'S DECLARATION

If you do not lodge this schedule with your tax return you must sign and date the schedule.

HELP IN COMPLETING THIS SCHEDULE

If you need help to complete this schedule contact Angelo Gheno at the ATO on **(03) 9275 2905**.



Life insurance companies

2012

taxation schedule – consolidated groups

To be completed by the head company of a consolidated group that includes at least one or more members that are life insurance companies. When lodging this life companies taxation schedule, also provide a copy of the financial statement or annual report provided to the Australian Prudential Regulatory Authority (APRA) for the 2011–12 income year.

Tax file number (TFN)

Australian business number

Name of entity

Daytime telephone contact

Area code

Number

Contact person

Statement of income – segregated exempt assets (SEA)

Income – SEA

Net investment income – SEA **A** .00

Premiums – exempt life insurance policies **B** .00

Taxation
basis

☐

Accounting
basis

☐

Statement of taxable income – assessable income

	Ordinary class	Complying superannuation/FHSA class
Premiums from accident and disability and term policies	C <input type="text"/> .00	
Premiums – other life insurance policies	D <input type="text"/> .00	E <input type="text"/> .00
Total ordinary income – ordinary class	F <input type="text"/> .00	
TOFA gains in label F (above)	U <input type="text"/> .00	
Total complying superannuation/ FHSA assessable income		G <input type="text"/> .00
TOFA gains in label G (above)		T <input type="text"/> .00

Statement of taxable income – allowable deductions

Complying superannuation/FHSA
class tax losses claimed **H** .00

Total allowable deductions – complying
superannuation/FHSA class **I** .00

Taxable income of the head company less the taxable
income of the complying superannuation/FHSA class **J** .00

Taxable income – complying
superannuation/FHSA class (**G** less **I**) **K** .00

Transfers

Transfers to complying
superannuation/FHSA asset pool **L** .00

Transfers from complying
superannuation/FHSA asset pool **M** .00

Transfers to SEA **N** .00

Transfers from SEA **O** .00

F

If the schedule is not lodged with the income tax return you are required to sign and date the schedule.

Important

Before making this declaration check to ensure that all the information required has been provided on this form and any attachments to this form, and that the information provided is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the ATO. The income tax law imposes heavy penalties for false or misleading statements.

Taxpayer’s declaration

DECLARATION

I declare that all the information on this form is true and correct.

Signature

Contact person

Date

Day

/

Month

/

Year

Daytime contact number (include area code)

F