



STRATA TITLE BODY CORPORATE

INSTRUCTIONS AND TAX RETURN 2012

Strata title bodies corporate are treated as public companies under the tax law and must lodge a tax return for any year in which they derive assessable income. If your body corporate only derives amounts that are subject to the principle of mutuality (see below under **MORE INFORMATION**), then you do not need to lodge a tax return. (These amounts are not assessable income.)

You cannot use the *Strata title body corporate tax return 2012* if your body corporate:

- has net capital gains
- has received franked dividends
- has losses brought forward from earlier income years claimed as a deduction
- has overseas transactions or interests, or
- needs to make an interposed entity election.

In the above situations you must use the *Company tax return 2012*.

Capital gain or capital loss

If your strata title body corporate has made a capital gain or a capital loss from a transaction in respect of all or part of the common property, the gain or loss is not included in the tax return for the body corporate. Each proprietor or unit owner must include their share of the capital gain or loss in their own tax return based on their proportion of the lot entitlements.

➤ MORE INFORMATION

Taxation Ruling IT 2505 – Income tax: bodies corporate constituted under strata title legislation discusses the principle of mutuality.

For a full explanation of the tax treatment of strata title bodies corporate, see the list of Taxation Rulings at **Publications** on page 4.

COMPLETING THE TAX RETURN

If a payment is due (now or later) or a refund is due, print **Y** for yes or **N** for no in the respective payment and refund boxes.

Print the entity's name, tax file number (TFN) and Australian business number (ABN) in the boxes provided.

If the postal address of the body corporate has not changed from that used to complete its income tax return for the last tax return lodged, print the address exactly as shown in that tax return under 'Current postal address'.

If the postal address of the body corporate has changed from that used for the last tax return lodged, print the previous postal address exactly as shown in that tax return under 'Postal address on previous tax return'.

Location of strata title body corporate

Print the street address of the body corporate. This may not necessarily be the same as the postal address of the body corporate.

Final tax return

If you consider that the strata title body corporate will not be required to lodge a tax return in future years, print **FINAL** in the block provided.

ELECTRONIC FUNDS TRANSFER (EFT)

Direct refund

Complete your account details even if you have provided them to us before. Complete the following:

- **Bank state branch (BSB) number.** This six-digit number identifies the financial institution.
- **Account number.** This number should not have more than nine characters, and should not include spaces.
- **Account name.** In most cases, your account name should be what is shown on your bank account records. It should include spaces between each word and between initials. If your account name exceeds 32 characters, provide the first 32 characters only.

Go to www.ato.gov.au for further information about refunds.

6 CALCULATION OF TOTAL PROFIT OR LOSS

Income

Complete the following items where applicable:

Gross interest

At **F** write the amount of interest received or credited during the income year.

Exclude interest from proprietors for late payment of levies.

Gross rent and other leasing and hiring income

At **G** write the total of these types of income received.

Individual proprietors may be taxed on this type of income, rather than the body corporate, where it is income from common property; see Taxation Ruling IT 2505.

Other gross income

At **R** write the total of other gross income, for example, inspection fees or access fees, except where received from a proprietor. Do not include receipts that are subject to the principle of mutuality; see Taxation Ruling IT 2505.

Total income

At **S** write the total of amounts shown at **F**, **G** and **R**.

Expenses

Expenses in earning income

At **S** write the total of all expenses incurred by the strata title body corporate in deriving its assessable income. You may need to apportion some expenses, for example, if an expense relates to both assessable income and receipts that are subject to the principle of mutuality (which are not assessable); see Taxation Ruling IT 2505.

Total expenses

At **Q** write the amount shown at **S** **Expenses in earning income**.

Total profit or loss

At **T** **Total profit or loss** write the amount at **S** **Total income** minus the amount at **Q** **Total expenses**. This is the net amount of income received by the strata title body corporate during the income year, and does not include receipts subject to the principle of mutuality. If this amount is a loss, print **L** in the box at the right of the amount.

7 RECONCILIATION TO TAXABLE INCOME OR LOSS

Taxable income or loss

At **T** **Taxable income or loss** item 7 write the amount shown at **T** **Total profit or loss** item 6. If this amount is a loss, print **L** in the box at the right of the amount.

CALCULATION STATEMENT

Taxable income

At **A** write the amount shown at **T** Taxable income or loss item 7. If the amount at **T** item 7 was a loss, write '0' at **A**.

Gross tax

At **B** write the amount of tax payable before the allowance of any credits. The company tax rate is 30%, therefore multiply the amount at **T** item 7 by 30% and write this answer at **B**. If **A** was '0', write '0' at **B** as well.

Tax payable

At **T5** write the amount shown at **B** Gross tax.

Tax withheld from interest/investments

At **H4** write any amounts deducted from investment income because a TFN was not provided to the investment body.

Eligible credits

At **H** write the amount shown at **H4** on this calculation statement.

Pay as you go (PAYG) instalments raised

At **K** write any PAYG instalments that have been raised for the current year tax liability.

Amount due or refundable

To calculate the amount at **S**, add **H** and **K**, then subtract the total from **T5**.

- If the amount at **S** is positive, that amount is payable by you.
- If the amount at **S** is negative, that amount is refundable to you.

Hours taken to prepare and complete this tax return

We are committed to reducing the costs involved in complying with your tax obligations. By completing **J** you will help us to monitor these costs as closely as possible. Your response is voluntary.

When completing this item consider the time, rounded to the nearest hour, that was spent:

- reading the instructions
- collecting the necessary information to complete this tax return
- making any necessary calculations, and
- completing this tax return or putting the tax affairs of the strata title body corporate in order, so that the information could be handed to a tax agent.

Your answer should relate only to the time the strata title body corporate and tax agent (if you have one) spent preparing and completing the tax return, including the time of any unpaid helpers. Tax agents preparing this tax return on behalf of their client should consult with them to obtain a reliable estimate.

Declaration

The public officer is responsible for doing all things required by the company under section 252 of the *Income Tax Assessment Act 1936* or the Regulations. In case of default they are liable to incur the same penalties. For example, the public officer is responsible for lodging the company tax return. If the tax return is lodged late the public officer may be liable for a penalty for failure to lodge on time.

LODGMET

The only postal address for lodgment of the tax return is:

Australian Taxation Office
GPO Box 9845
IN YOUR CAPITAL CITY

The address must appear as shown above.

Do NOT post payments to this address; for payment information see **Payment** below.

PAYMENT

How to pay

We offer you a range of convenient payment options, both in Australia and overseas.

⊘ Your payment needs to reach us on or before its due date. Please check your financial institution's processing deadlines to avoid making a late payment.



BPAY®

Make a payment directly from your cheque or savings account to us using your financial institution's phone or internet banking service.

Details you need

Biller code	75556
Reference	Your EFT code or PRN

BPAY payments made out of hours, on a weekend or on a public holiday will not reach us until the next working day.

Registered to BPAY Pty Ltd ABN 69 079 137 518

Credit card

Credit card payments can be made online or by phone. To make a credit card payment you will need:

- a current Visa, MasterCard or American Express card
- your EFT code or PRN.

⚠ A card payment fee applies to transactions made using the credit card payment service.

To make credit card payments online or for further information go to **www.ato.gov.au/howtopay**

To make credit card payments by phone call **1300 898 089**.

Direct credit

Transfer your payment to us online from your cheque or savings account.

Details you need

Bank	Reserve Bank of Australia
BSB	093 003
Account number	316 385
Account name	ATO direct credit account
Reference	Your EFT code or PRN

Direct credit payments made out of hours, on a weekend or public holiday will not reach us until the next working day.

Direct debit

Have your payment automatically deducted from a cheque or savings account.

Details you need

For a verbal direct debit payment arrangement after the due date phone us on **13 11 42**.

For all other direct debit requests complete the *Direct debit request* (NAT 2284) form and return it to us.

To access the form:

- go to **www.ato.gov.au/howtopay**
- phone **1800 802 308**, 8.00am to 6.00pm, Monday to Friday
- email **eft-information@ato.gov.au**

To ensure your payment reaches us on or before its due date, allow at least seven (7) working days for your direct debit to be activated.

Mail

Mail your cheque or money order to us.

Cheques and money orders should be for amounts in Australian dollars and payable to the 'Deputy Commissioner of Taxation'. Cheques should be crossed 'Not Negotiable' and must not be post-dated.

You should also include your payment slip or a note that states your:

- full name
- address and telephone number
- account identifier: tax file number (TFN), Australian business number (ABN), client identification number etc
- payment type: BAS payment, income tax, HELP etc.

Mail your payment and payment slip or note to:

NSW, ACT or QLD residents

Australian Taxation Office
Locked Bag 1793
PENRITH NSW 1793

WA, SA, NT, TAS or VIC residents

Australian Taxation Office
Locked Bag 1936
ALBURY NSW 1936

Do not use pins, staples, paper clips or adhesive tape.

Do not send cash.

Allow sufficient time for your payment to reach us on or before the due date.

Australia Post

If you have a pre-printed payment slip with a barcode, you can pay in person at any Australia Post outlet.

A \$3,000 limit applies to cash payments. EFTPOS payments are subject to daily withdrawal limits.

Cheques and money orders should be for amounts in Australian dollars and payable to 'Deputy Commissioner of Taxation'. Cheques should be crossed 'Not Negotiable' and must not be post-dated.

What is my EFT code or PRN?

Your EFT code or PRN is the reference number. It is printed directly above the barcode on your payment slip.

If you pay using BPAY®, credit card or direct credit you will need this number.

If you need more information:

- phone **1800 815 886** 8.00am to 6.00pm, Monday to Friday
- email **payment@ato.gov.au**

MORE INFORMATION

WEBSITE

For general tax information and to download publications and taxation rulings, go to **www.ato.gov.au**

PUBLICATIONS

Publications referred to in these instructions:

- *Taxation Ruling IT 2505 – Income tax: bodies corporate constituted under strata title legislation (discusses the principle of mutuality)*
- *Direct debit request* (NAT 2284)

Other relevant publications

- *Taxation Determination TD 93/7 – Income tax: under what circumstances is a strata title body corporate required to lodge an income tax return?*
- *Taxation Determination TD 93/73 – Income tax: will a strata title body corporate be taxed as a non-profit company if it includes non-profit clauses in its by-laws?*
- *Taxation Determination TD 96/22 – Income tax: does the interest payable on late levies represent assessable income of a body corporate?*

To get an ATO publication

If you are not a tax agent:

- go to **www.ato.gov.au/publications** for publications, taxation rulings, practice statements and forms
- phone **1300 720 092**
- visit one of our shopfronts.

For our shopfront addresses, go to **www.ato.gov.au**

If you are a tax agent:

- go to **<http://taxagents.iorder.com.au>**
- order by fax on **1300 361 462**

PHONE

Business

13 28 66

Information about business income tax, fringe benefits tax (FBT), fuel tax credits (FTC), goods and services tax (GST), pay as you go (PAYG) and activity statements, including lodgment and payment, accounts and business registration (including Australian business number and tax file number), and dividend and royalty withholding tax

Tax agents

13 72 86

For enquiries from registered tax agents

Individuals

13 28 61

Individual income tax and general personal tax enquiries

Superannuation

13 10 20

OTHER SERVICES

If you do not speak English well and need help from the ATO, phone the Translating and Interpreting Service (TIS) on **13 14 50**.

If you are deaf or have a hearing or speech impairment phone the ATO through the National Relay Service (NRS) on the numbers listed below, and ask for the ATO number you need:

- TTY users, phone **13 36 77**. For ATO 1800 free call numbers, phone **1800 555 677**.
- Speak and Listen (speech-to-speech relay) users, phone **1300 555 727**. For ATO 1800 free call numbers, phone **1800 555 727**.
- Internet relay users, connect to the NRS at **www.relayservice.com.au**

MAIL

If you wish to write to us send your correspondence to:

**Australian Taxation Office
PO Box 9990
PENRITH NSW 2740**



2012

Day Month Year to Day Month Year

Please print neatly in BLOCK LETTERS with a black or blue ballpoint pen only.

Is a refund due? ☐ Print **Y** for yes or
N for no.

Tax file number (TFN)

Australian business number (ABN)

[illegible][illegible]

Location of strata title body corporate

Suburb or town

State

Postcode

Final tax return

If this will be the final tax return of the body corporate print FINAL.

☐ ☐ ☐ ☐ ☐

Electronic funds transfer (EFT)
Provide your financial institution details.
Write the BSB number, account number and account name below.
(See relevant instructions.)

BSB number (must be six digits) Account number

Account name

2 **Description of main business activity** BODY CORPORATE Industry code **B67110**

3 Status of company Resident **C1** **X** Strata title **D4** **X**

Income

[illegible][illegible]

Taxable income or loss T [][][][][][][][]-00 / F

14 **N N** 22 **X N** 23 **Y N** 24 **Z N** 25 **O N** 26 **P N** 27 **I N F**

AMOUNT DUE OR REFUNDABLE

A positive amount at **S** is what you owe, while a negative amount is refundable to you.

(**T5** / less **H** / less **K**)

S , , . **F**

Hours taken to prepare and complete this tax return **J** **F**[illegible]