



EXPLANATORY NOTES FOR THE LIFE INSURANCE COMPANIES TAXATION SCHEDULE – CONSOLIDATED GROUPS 2009

INTRODUCTION

These notes are designed to help in the preparation of the *Life insurance companies taxation schedule – consolidated groups 2009*. They are **not** a guide to the income tax law.

STATEMENT OF INCOME – SEGREGATED EXEMPT ASSETS (SEA)

Net investment income – SEA

If a life company reconciles accounting income to taxable income, it must include at **A** the total accounting net investment income for SEA. If a life 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 assets. 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 code box at the right of the amount shown at **A**.

Premiums – exempt life insurance policies

Show 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

Show at **C** the total amount of gross premiums received from accident and disability policies and term policies. Term policies include assets (including money) having a total transfer value equal to 'risk riders' that are transferred from the complying superannuation first home savings account (FHSA) asset pool under section 320-195 of the *Income Tax Assessment Act 1997* (ITAA 1997). Disability policies include continuous disability policies.

Premiums – other life insurance policies

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

- exempt life insurance policies
- term policies (including riders)
- accident and disability policies.

Show 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

Show 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

The total assessable income of the complying superannuation/FHSA class includes both income according to ordinary concepts and statutory income. Show 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 of the complying superannuation/FHSA class includes transfers to the complying superannuation/FHSA asset pool as stated in **Transfers to complying superannuation/FHSA asset pool** on the next page, and must be shown at **G**.

STATEMENT OF TAXABLE INCOME – ALLOWABLE DEDUCTIONS

Complying superannuation/FHSA class tax losses claimed

Show 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.

! NOTE

Do not show any amount in part A of the *Consolidated groups losses schedule 2009* (NAT 7888) 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 2009*.

! NOTE

Other tax losses

Show other tax losses at item **3 Tax losses utilised** in part A of the *Consolidated groups losses schedule 2009*, and all other relevant items in the *Consolidated groups losses schedule 2009*.

Total allowable deductions – complying superannuation class

The total allowable deductions of the complying superannuation/FHSA class include tax losses of the complying superannuation/FHSA class which have been claimed as a deduction. The deductions (other than tax losses) of the complying superannuation/FHSA class are determined in accordance with subsection 320-137(4) of the ITAA 1997. The tax losses of the complying superannuation/FHSA class are determined in accordance with section 320-141 of the ITAA 1997.

Show at **I** the total allowable deductions of the complying superannuation/FHSA class.

Note that where the sum of the amount of the deductions of the complying superannuation/FHSA class referred to in subsection 320-137(4) of the ITAA 1997 exceeds the sum of the amounts of the assessable income of the complying superannuation/FHSA class under subsection 320-137(2) of the ITAA 1997, the sum of the amounts of the deductions of the complying superannuation/FHSA class is to be shown as the same amount as the sum of the amounts of assessable income of the complying superannuation/FHSA class. That is, the deductions shown at **I** cannot be greater than the assessable income shown at **G**.

TRANSFERS

Transfers to complying superannuation/FHSA asset pool

Show 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

Show at **M** the following amounts:

- the transfer value of assets (including money) transferred by the company from the complying superannuation/FHSA asset pool under subsections 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 assets (including money) having a total transfer value equal to 'risk riders' that are transferred from the complying superannuation/FHSA asset pool under section 320-195 of the ITAA 1997.

Transfers to SEA

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

Transfers from SEA

Show at **O** the following amounts:

- the transfer value of assets (including money) transferred from the company's segregated exempt assets 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 – that is, from allocated pensions and annuities
 - policy fees and administration fees from other than investment-linked policies, and
 - premium-based fees from other than investment-linked policies.

HELP IN COMPLETING THIS SCHEDULE

If you need help in completing this schedule, phone Angelo Gheno at the Box Hill Tax Office on **(03) 9275 2905**.



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 2008–09 income year.

Tax file number (TFN)

Australian business number

Name of entity

Signature as prescribed in tax return

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	
Total complying superannuation/ FHSA assessable income G		<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