Australian Government
Australian Taxation Office

STRATA TITLE BODY CORPORATE

INSTRUCTIONS AND TAX RETURN 2008

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 2008* 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 2008*.

> **NOTE**
>
> 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.

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** **Total income** write the total of amounts shown at **F**, **G** and **R**.

Expenses

Expenses in earning income

At **S** **Expenses in earning income** 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** item **6 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** item **7 Taxable income or loss** write the amount shown at **T** 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** item **7 Taxable income or loss**. If the amount at **T** item **7** was a loss, write '0' at **A**.

Gross tax

At **B** **Gross tax** 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** **Taxable income** was '0', write '0' at **B** as well.

Tax payable

Write the amount shown at **B** **Gross tax**.

Pay as you go (PAYG) instalments raised

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

Tax withheld from interest/investments

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

Total of T and Y

At **R** write the total of amounts shown at **T** and **Y** on this calculation statement.

Total amount of tax payable or refundable

Subtract the amount shown at **R** from the amount shown at **B** and write this amount at **S**. If the amount is positive, this is the amount payable. A negative amount is the amount refundable.

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.

LODGMENT

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 – it is not necessary to write the name of the city.

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

If you wish to write to the Tax Office send your correspondence to:

Australian Taxation Office
GPO Box 9990
SYDNEY NSW 2001

PAYMENT

Payment options

You can make payments by several different methods. We prefer to receive payments by electronic means. Payments can be made electronically by BPAY®, direct debit or direct credit. However, payments can also be posted to us or made at Australia Post outlets.

Payments cannot be made in person at a Tax Office branch or shopfront. **We do not accept** payment by credit card.

BPAY® allows you to transfer funds from your cheque or savings accounts to us using your financial institution's phone or internet banking service. You can make most tax payments by using BPAY.

To make a payment quote the Tax Office biller code (**75556**) and use your electronic funds transfer (EFT) code as the customer reference number. Your EFT code is the string of numbers found immediately above the barcode on your payment slip. This slip is included in the reminder letter we sent you about the due date for income tax payment and lodgment of your tax return.

Your EFT code is also provided on the 'Payment options – details' screen (for business and tax agent portal users) or immediately below the biller code and titled EFT code, on the details screen of your electronic commerce interface e-business activity statement (ECI e-BAS) where access is available.

A receipt number is issued at the time the payment is made. Record this receipt number for future reference.

You should check with your financial institution for processing deadlines, to ensure your payments reach us on or before the due date. BPAY payments made outside of business hours, including on a weekend or public holiday, **will not reach us** until the next working day.

If you need assistance locating or identifying the EFT code phone **1800 815 886** or email **payment@ato.gov.au**

For more information about BPAY payments, contact your financial institution.

® Registered to BPAY Pty Ltd ABN 69 079 137 518

Direct credit

Direct credit allows you to transfer funds electronically from your cheque or savings account using online banking facilities. To make a payment you will need the following information about us:

Bank	**Reserve Bank of Australia**
BSB number	**093 003**
Account number	**316 385**
Account name	**ATO direct credit account**

To ensure your payment is recorded correctly to your Tax Office account, you must record your EFT code in the direct entry system lodgment reference or in the description field. Your EFT code is the series of numbers found immediately above the bar code on your payment slip.

You should check with your financial institution for processing deadlines, to ensure your payments reach us on or before the due date. Direct credit payments made outside of business hours, including on a weekend or public holiday, **will not reach us** until the next working day.

For more information about direct credit payments visit **www.ato.gov.au** or phone **1800 815 886** or email **payment@ato.gov.au**

Direct debit

Direct debit provides you with the option of having your tax liability electronically debited from a nominated financial institution account (excluding credit card accounts).

To establish a direct debit facility, you will need to complete and send a *Direct debit reque*st (NAT 2284) form to us. The form gives us permission to debit your nominated financial institution account. Forms can be printed and sent by a tax agent using electronic lodgment service (ELS) software, or you can order one yourself by phoning **1800 802 308**. Tax agent and business portal users can also send requests to us via the portal's messaging facility.

Note: the *Direct debit request* must be signed by the authorised signatories to the account and it must be received by us at least five working days before the due date for the first debit transaction.

Send your completed request to:

Electronic Funds Transfer Section
Australian Taxation Office
Mail: GPO Box 4991
SYDNEY NSW 2001
Fax: 1300 730 298

For more information about direct debit payments visit **www.ato.gov.au** or phone **1800 802 308** or email **eft-information@ato.gov.au**

Mail

You can mail a cheque or money order to the address printed on the payment slip forwarded by us.

If a payment slip is not available, you can post payments to the appropriate address below. Include the full name of the body corporate, address, type of payment and ABN or TFN. Do not write your TFN on any cheques.

For NSW, ACT and QLD clients send payments to:

Australian Taxation Office
Locked Bag 1793
PENRITH NSW 1793

For WA, SA, NT, TAS and VIC clients send payments to:

Australian Taxation Office
Locked Bag 1936
ALBURY NSW 1936

Pins, staples, paper clips or adhesive tape should not be used.

Cheques and money orders should be for amounts in Australian dollars and payable to the 'Deputy Commissioner of Taxation'. They should be crossed 'not negotiable' and must not be postdated. Do not send cash through the mail.

To avoid incurring penalties for late payment you should allow sufficient time for your payment to reach us on or before the due date.

For more information about mail payments phone **1800 815 886** or email **payment@ato.gov.au**

In person – at a post office

If you have a pre-printed payment slip with a barcode, you can pay in person at any Australia Post outlet. Photocopies of payment slips are not accepted. Payments can be made by cash, electronic funds transfer at point of sale (EFTPOS) or cheque. Australia Post applies a $3,000 maximum limit to cash and EFTPOS payments. Cheques should be for amounts in Australian dollars and payable to the 'Deputy Commissioner of Taxation'. They should be crossed 'not negotiable' and must not be postdated. A receipt will be issued for any payment made in person at an Australia Post outlet.

EFTPOS is available at most outlets. However, payments can only be made using your savings or cheque account. The amount of the payment is also limited to the daily cash withdrawal amount permitted by your financial institution.

For more information on any payment method phone **1800 815 886** or email **payment@ato.gov.au**

SHOPFRONTS

- For collection of publications, return forms and schedules you may go to the following locations:

AUSTRALIAN CAPITAL TERRITORY

Canberra
Ground Floor Ethos House
28–36 Ainslie Avenue, Canberra

NEW SOUTH WALES

Albury
567 Smollett Street, Albury

Chatswood
501 Victoria Avenue, Chatswood

Hurstville
1st Floor MacMahon Plaza
14–16 Woodville Street, Hurstville

Newcastle
266 King Street, Newcastle

Parramatta
Ground Floor Commonwealth Offices
2–12 Macquarie Street, Parramatta

Sydney
2 Lang Street, Sydney

Wollongong
93–99 Burelli Street, Wollongong

NORTHERN TERRITORY

Alice Springs
Jock Nelson Centre
16 Hartley Street, Alice Springs

Darwin
24 Mitchell Street, Darwin

QUEENSLAND

Brisbane
280 Adelaide Street, Brisbane

Townsville
Stanley Place
235 Stanley Street, Townsville

Upper Mt Gravatt
Ground Floor Nexus Building
96 Mt Gravatt-Capalaba Road
Upper Mt Gravatt

SOUTH AUSTRALIA

Adelaide
91 Waymouth Street, Adelaide

TASMANIA

Hobart
200 Collins Street, Hobart

Launceston
54 Cameron Street, Launceston

VICTORIA

Cheltenham
4A, 4–10 Jamieson Street, Cheltenham

Dandenong
14–16 Mason Street, Dandenong

Geelong
92–100 Brougham Street, Geelong

Melbourne
Level 1, Casselden Place
2 Lonsdale Street, Melbourne

WESTERN AUSTRALIA

Northbridge
45 Francis Street, Northbridge

> **NOTE**
> Staff at our shopfronts are not trained to help with business tax returns – phone one of our infolines if you have any business-related enquiries.

MORE INFORMATION

INTERNET

- For general tax information and to download publications and rulings, visit **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)

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 a Tax Office publication

If you are not a tax agent

- visit our website at **www.ato.gov.au/publications** for publications, taxation rulings, practice statements and forms
- phone our Publications Distribution Service on **1300 720 092**
- visit one of our shopfronts.

If you are a tax agent

- use **http://taxagents.iorder.com.au**
- order by fax on **1300 361 462**
- for queries on the status of your order, phone **1300 720 092**

If you know the title of the publication you want

- you may order it through our automated speech recognition system operating all day, every day, phone **13 72 26**

INFOLINES

- **Business** **13 28 66**

  General business tax enquiries including GST rulings, pay as you go (PAYG) instalments and withholdings (from interest, dividends and royalties), business deductions, activity statements (including lodgment and payment), accounts and business registration (including Australian business number and tax file number)

- **Tax agents** **13 72 86**

  For enquiries from registered tax agents

- **Super Choice** **13 28 64**

  For information about choice of superannuation funds and the role of the employer

- **Tax reform** **13 24 78**

  For information about new business tax reform (BTR) measures and exposure draft enquiries

- **Account management** **13 11 42**

  For information about outstanding lodgment or payment obligations for activity statements, PAYG withholding, income tax or fringe benefits tax

- **Personal tax** **13 28 61**

  Individual income tax and general personal tax enquiries

- **Superannuation** **13 10 20**

- **Fax** **13 28 60**

  To get information about business, tax reform, superannuation, excise duty, fuel schemes, non-profit organisations or personal tax sent to your fax machine, phone **13 28 60** and follow the instructions.

OTHER SERVICES

- **Translating and Interpreting Service** **13 14 50**

  If you do not speak English well and need help from the Tax Office, phone the Translating and Interpreting Service.

- **Hearing or speech impairment**

  If you are deaf or have a hearing or speech impairment, you can phone the Tax Office through the **National Relay Service**:

  – If you are a TTY or modem user, phone **13 36 77** and ask for the number you want.

    For 1800 free call numbers, phone **1800 555 677** and ask for the number you want.

  – If you are a voice-only (speak and listen) user, phone **1300 555 727** and ask for the number you want. For 1800 free call numbers, phone **1800 555 727** and ask for the number you want.

FEEDBACK

Reader feedback helps us to improve the information we provide. If you have any feedback about this publication, write to:

Editor
Publishing Coordination
Marketing and Education
Micro Enterprises and Individuals
Australian Taxation Office
PO Box 900
CIVIC SQUARE ACT 2608

As this is a publications area only, any tax matters will be passed on to a specialist technical area. You can also phone our Business Infoline on **13 28 66** for help.

Australian Government
Australian Taxation Office

Strata title body corporate tax return 2008

Day Month Year to Day Month Year

Or specify period if part year or approved substitute period.

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

Notes to help you prepare this tax return are attached. Strata title bodies corporate are treated as public companies under the tax law and would normally have to complete a company tax return. However, the Tax Office has developed the *Strata title body corporate tax return 2008,* which can be used by certain strata title bodies corporate instead of completing a full company tax return. Some compulsory items and labels have already been completed for you – **you do not have to do anything with these already completed items and labels.**

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

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

Tax file number (TFN) ☐☐☐ ☐☐☐ ☐☐☐

Name of entity

Australian business number (ABN)

Current postal address

If the address has not changed, print it **exactly** as shown on the last tax return lodged.

Suburb or town

State Postcode

Postal address on previous tax return

If the address has changed, print the previous address **exactly** as shown on the last tax return lodged.

Suburb or town

State Postcode

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.

2 Description of main business activity BODY CORPORATE

Industry code B 6 7 1 1 0

3 Status of company

Resident C1 X Strata title D4 X

6 Calculation of total profit or loss

Income

Gross interest **F** ,,.00

Gross rent and other leasing and hiring income **G** ,,.00

Other gross income **R** ,,.00/

Total income **S** ,,.00/ **F**

Expenses

Expenses in earning income **S** ,,.00

Total expenses **Q** ,,.00/

Total profit or loss – subtract **Total expenses** from **Total income.** **T** ,,.00/ **F**

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7 Reconciliation to taxable income or loss

G N

Taxable income or loss **T** ,,.00/ **F**

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13 **N N** **20** **X N** **21** **Y N** **22** **Z N** **23** **O N** **24** **P N** **25** **I N** **F**

Calculation statement

Taxable income **A** ,,.00

Gross tax **B** ,,.

PAYG instalments raised **T** ,,.

Tax withheld from interest/investments **Y** ,,.

Tax payable ,,.

Total of **T** and **Y** **R** ,,.

Total amount of tax payable (+) or refundable (–) **S** ,,. **F**

Subtract the amount at **R** from the amount at **B**.

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

Declaration

I declare that the information in this tax return is true and correct.

Public officer's signature

Date Day Month Year

Public officer's name

Daytime contact telephone number Area code **F** Number **F**