

COMPLETING YOUR NEW ZEALAND TAX RETURN 2019-2020

To help you complete your New Zealand 'Individual Tax Return IR3', we have prepared some guidance notes for the questions regarding overseas income.

Please use these notes in conjunction with your New Zealand Tax Statement, which contains information about your investments with Perpetual.



INFORMATION CONTAINED IN THIS GUIDE IS NOT TAX ADVICE

We recommend you consult your financial or taxation adviser or the New Zealand Inland Revenue Department when completing your 'Individual Tax Return IR3', as we are not able to provide you with any tax advice. To discuss any aspect of your investment with Perpetual, phone us, toll free, on 0800 442 261 during business hours (Sydney time).

The information in this guide is of a general nature only and should not be relied on.



WHICH INCOME TAX RETURN FORM SHOULD YOU USE?

If you are an individual and a New

Zealand resident taxpayer who has an investment in any of Perpetual's funds, you may be required to complete an 'Individual Tax Return IR3' for the New Zealand Inland Revenue Department.

Please see the 'Individual Income Tax Return IR3 Guide 2020' for further information, including the circumstances where you must file an 'Individual Tax Return IR3'.

This guide is only applicable if you are completing an 'Individual Tax Return IR3'. Different rules may apply if you are preparing a return on behalf of a trust, partnership or company.



OFFSHORE PORTFOLIO INVESTMENT RULES

Perpetual funds are registered Australian

unit trusts. Perpetual elected into the Attribution Managed Investment Trust (AMIT) regime for Australian tax purposes for the majority of the Perpetual funds for the year ended 30 June 2018 and subsequent years.

Electing into the AMIT regime will not change the way in which distributions are paid to NZ investors.

Accordingly, the foreign investment fund (FIF) rules may continue to apply to your investment in Perpetual funds.

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CURRENCY

The information on your Tax Statement is in Australian dollars.

You need to convert these amounts to New Zealand dollars. To do this you will need to determine the relevant exchange rate to use.

You can obtain the relevant exchange rate(s) from the following sources:

- refer to the overseas currency rate tables found on the New Zealand Inland Revenue Department's website www.ird.govt.nz
- by calling the New Zealand Inland Revenue Department on **0800 377 774** (within New Zealand)
- by contacting the overseas section of one of New Zealand's major trading banks.

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IMPORTANT INFORMATION

The majority of New Zealand resident investors are not required to lodge an Australian income tax return if they only receive Australian sourced income through distributions from a Perpetual fund.

An Australian tax statement, which is now referred to as an AMMA statement, will be issued to all investors, including those investors that have an address outside of Australia at the end of August or shortly after.

For general information about Australian tax for non-resident investors, see the current product disclosure statements for Perpetual funds at www.perpetual.com.au



IMPUTATION CREDITS

No New Zealand imputation credits were attached to any distributions made by Perpetual funds during the year ended 31 March 2020.



QUESTIONS APPLYING TO OVERSEAS INCOME IN THE INDIVIDUAL TAX RETURN IR3

Overseas Income (refer to the 'Individual Tax Return IR3 Guide 2020')

You can use the first page of your Tax Statement to help you calculate 'Total overseas income' from Perpetual funds and the total amount of Australian tax withheld. Please refer to A guide to foreign investment funds and the fair dividend rate (IR461), found on the New Zealand Inland Revenue Department's website www.ird.govt.nz.

Please note:

- a) you may need to calculate 'Quick Sale' amounts separately using information provided during the year
- b) if you have a number of foreign investments you will need to consolidate the information.

The New Zealand Inland Revenue Department requires you to provide proof of any overseas tax paid. A copy of the front page of your Tax Statement or alternatively, a copy of your Distribution Statements could be used for this purpose.

Foreign rights disclosure (refer to the 'Individual Income Tax Return IR3 Guide 2020')

While Perpetual funds fall within the definition of a Foreign Investment Fund, the New Zealand Inland Revenue Department has previously provided an exemption from disclosure for New Zealand investors who hold less than 10 per cent of an Australian unit trust, including Perpetual funds. Refer to the New Zealand Inland Revenue Department's April 2020 Tax Information Bulletin for the foreign investments that do not require additional disclosure.



DEDUCTIBILITY OF THE MEMBER ADVICE FEE

If you paid a member advice fee in relation to your investments in a Perpetual fund it may be deductible. This will depend on your circumstances and the nature of the services provided by your adviser – you should consult your tax adviser for further information.

This information has been prepared by Perpetual Investment Management Limited ABN 18 000 866 535, AFSL 234426 (Perpetual). Perpetual is part of the Perpetual Group. Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries. The information in this guide is based on information published by the New Zealand Inland Revenue Department and is believed to be accurate at the time of compilation. It has been provided in good faith, as general information only and does not take into account your objectives, financial situation or needs. The information in this document is not tax advice and should not be relied upon as such. The statements (actual or implied), recommendations and conclusions made in this document are not intended to be a comprehensive and conclusive statement of relevant tax practice or law which is often complex and can change. No company in the Perpetual Group nor the directors, officers, employees or agents of companies in the Perpetual Group, make any representation or warranty as to the accuracy, reliability or completeness of the material in this document. You should assess whether the information in the document is appropriate for your individual circumstances, either by yourself or in conjunction with your tax adviser. Except in so far as liability under any statute cannot be excluded, the companies in the Perpetual Group and their directors, officers, employees and agents do not accept any liability (whether arising in contract, tort, negligence or otherwise) for any error or omission in the information contained in this document or for any loss of damage (whether direct, indirect, consequential or otherwise) suffered by you or any other person. 3006_NZITRG7_0220

FURTHER INFORMATION

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