

ANZ ONEANSWER PENSION

ANZ ONEANSWER TERM ALLOCATED PENSION

A GUIDE TO PREPARING YOUR 2020 INCOME TAX RETURN

The information in this guide is of a general nature only and assumes that you are a resident of Australia for taxation purposes. Please contact your financial adviser or tax agent if you require further information.

The purpose of this guide is to assist you in preparing your income tax return relating to your income stream for the 2019/2020 financial year.

Please follow the steps in the tables on the following page. You will also need the following documents relating to payments from RPS where applicable:

- Schedule of Additional Information
- PAYG Payment Summary.

SCHEDULE OF ADDITIONAL INFORMATION

Your Schedule of Additional Information provides details of your deductible amount/tax free component and tax offset for the 2019/2020 financial year, and includes the following:

- **Deductible amount/tax free component:** The portion of your superannuation income stream which is tax exempt.
- **Australian superannuation income stream tax offset:** The maximum tax offset you can claim if you have received a superannuation income stream benefit with a taxable component.

The deductible amount/tax free component of your superannuation income stream is not required to be included in your income tax return.

If you received a 'superannuation pension' with an undeducted purchase price (UPP) before 1 July 2007, the deductible amount will continue to apply until a trigger event occurs, such as when you reach age 60 or your income stream is partially or wholly commuted.

PAYG PAYMENT SUMMARY

Your PAYG Payment Summary shows the gross annuity/superannuation income stream payments you have received and the total tax withheld during the 2019/2020 financial year.

From 1 July 2017, the 'defined benefit income cap' limits the amount of tax-free income you can receive from a capped

defined benefit income stream (pension or annuity) including the ANZ OneAnswer Term Allocated Pension.

For the 2019/2020 financial year, the defined benefit income cap is \$100,000. If you exceed this cap, you may be required to include 50% of the excess as assessable income in your tax return.

The defined benefit income cap is applicable to members aged 60 or over (or under age 60 receiving a death benefit income stream and the deceased died on or after age 60).

Your PAYG Payment Summary should be kept with the copy of your income tax return that you keep for your own records.

For more information refer to the ATO website ato.gov.au and 'Individual tax return instructions 2020' or speak to your financial planner.

PREPARING YOUR 2020 INCOME TAX RETURN

If you have received superannuation income stream payments from RPS, as well as any other sources, you will need to add the relevant amounts from all sources in your income tax return to determine the total amounts in the steps on the following page.

Section one – How to declare your superannuation income stream

The taxable component of your superannuation income stream you have received during the 2019/2020 financial year must be declared on your 2020 income tax return. To declare the taxable component of your superannuation income stream, follow the simple steps outlined and refer to the income section of your individual tax return instructions 2020 for additional information.

STEP 1 **Refer to your PAYG Payment Summary**
Find the amounts shown on your PAYG Payment Summary labelled 'Total tax withheld' and 'Taxable Component'.

STEP 2 **Individual tax return form 2020 Item 7 – Tax withheld column**
Write the amount shown on your PAYG Payment Summary as 'Total tax withheld' in the 'Tax withheld' column.

STEP 3 **Individual tax return form 2020 Item 7 – Taxable Component – Taxed element**
Write the amounts shown on your PAYG Payment Summary as 'Taxable Component – Taxed element' at label **J**.

STEP 4 **Individual tax return form 2020 Item 7 – Assessable amount from capped defined benefit income stream**
For further information, refer to ATO publications 'Changes to taxation of defined benefit income streams' and 'individual tax return instructions 2020'. The defined benefit income tool ato.gov.au/Calculators-and-tools/Defined-benefit-income-cap-tool/ can be used to calculate the cap that applies to you based on your superannuation capped defined benefit income streams.

Section two – How to claim your Australian superannuation income stream tax offset

To claim a tax offset, follow the simple steps outlined below and refer to the tax offset section of your individual tax return instructions 2020 for additional information.

STEP 1 **Refer to your Schedule of Additional Information**
If a tax offset amount is shown, please read on.

STEP 2 **Individual tax return form 2020 Item T2**
The Australian superannuation income stream tax offset amount shown on your Schedule of Additional Information is the tax offset.

STEP 3 **Individual tax return form 2020 Item T2 – Tax offset**
Write your tax offset in the box labelled **S**.

Your 2020 income tax return is due for lodgement with the Australian Taxation Office by 31 October 2020, unless you are lodging through a tax agent.

If you have any questions relating to your income stream or the information we have sent you, please contact Customer Services:



Call 13 38 63 weekdays between 8.30am and 6.30pm (AEST)



Email customer@onepath.com.au



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The information is current at 30 June 2020 but may be subject to change. Read our Financial Services Guide for information about our services, including the fees and benefits that related companies and their representatives may receive in relation to products and services provided to you. Contact us on 13 38 63 for a copy of our Financial Services Guide.

This document also sets out general information as to the possible taxation consequences relating to your investment with the issuer. This information is our interpretation of the tax law and does not represent tax advice. Tax laws are subject to change and any changes may affect your tax position. You should seek professional advice on your own tax position.

You should read the PDS under which you commenced your account and any specific product updates for this product and consider whether the product is right for you before making a decision to continue to hold the product.