

TAXATION STATISTICS 2004–05

A summary of income tax returns
for the 2004–05 income year and
other reported tax information for
the 2005–06 financial year

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PREFACE

Welcome to the latest edition of *Taxation Statistics* – the Tax Office’s most comprehensive statistical publication.

This publication informs the community about what taxpayers have been reporting to the Tax Office. It is a valuable resource, particularly for academics, researchers, scrutineers and the media. Importantly, it reflects an open and accountable tax administration.

It complements the *Annual Report*, which provides information about the Tax Office’s administration of the tax, superannuation, excise and related systems, including details of collections and payments.

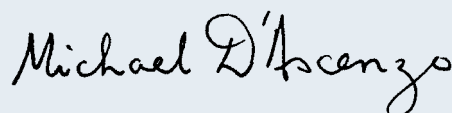
This year *Taxation Statistics* has been substantially improved to make it more useful and relevant and easier to read. Some of the improvements include:

- adding two-year time series tables to allow clear comparisons with the statistics from last year
- adding tables on e-tax lodgment and rental income and deductions, in response to requests from the community. There is also a new detailed table showing total work-related expenses, by salary and wage occupation codes
- adding a new chapter outlining the payments and transfers made through the tax system, including statistics on the first child tax offset, family tax benefit, private health insurance rebate, research and development tax offset and the film and television tax offset. This chapter highlights the Tax Office’s role as a major payer of Australian Government benefits, and
- moving more of the detailed statistics to the detailed tables, which are best accessed through our website.

We have not reduced the amount of detail provided in the publication, except in a very limited number of cases where we found that the postcode used by businesses is often not a good indicator of where a business is being conducted.

As always, *Taxation Statistics* contains an appendix with copies of the annual return forms, relevant schedules and activity statements. We are moving progressively towards more comprehensive web publication. This year the electronic version of this publication contains links to the relevant return form guides and other explanatory matter that set out what information must be reported under each label on the forms, schedules or statements.

Your suggestions and comments would be most welcome and can be emailed to taxstats@ato.gov.au



Michael D’Ascenzo
Commissioner of Taxation



GENERAL NOTES

Data for *Taxation Statistics 2004–05* was compiled before all processing for the 2004–05 income year and 2005–06 fringe benefits tax year was completed. Statistics in some chapters are sourced from 2005 annual income tax returns and associated schedules (such as the capital gains tax schedule 2005) that were processed by 31 October 2006. The statistics in these chapters are not necessarily complete and will continue to change as data from 2005 tax returns and schedules processed after 31 October 2006 is included.

Care should be taken when comparing the detailed table statistics for 2004–05 with previous income years. Better comparisons will be possible when *Taxation Statistics 2005–06* is published. In that edition, the 2004–05 income year statistics will include data from returns and amendments processed up to 31 October 2007.

Where figures have been rounded, discrepancies may occur between the sum of the component items and totals. Average amounts, percentage changes and proportions are calculated from actual (not rounded) figures.

In order to meet privacy regulations:

- some cells in some tables have been aggregated, but this does not affect the total number of records (number indicator showing the number of returns or taxpayers) and the total amounts
- number indicators in the detailed tables may have been rounded to the nearest multiple of 5, so totals may differ from the sum of their components, and
- amounts and totals may vary between tables.

Descriptions or definitions of the items in the chapter and detailed tables are in the 'Return forms and other publications' section included on the CD-ROM attached to this publication and in the online version of the publication available at www.ato.gov.au

The following symbol used in this publication means:

n.a. not applicable or not available

ENQUIRIES ABOUT THESE STATISTICS

If you have any enquiries about the statistics in this publication, we recommend that you first read *Taxation Statistics – frequently asked questions*, which is available at www.ato.gov.au

Any enquiries not answered by that document can be sent to taxstats@ato.gov.au

Alternatively, send enquiries to:

**The Director
Taxation Statistics
Revenue Analysis Branch
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Australian Taxation Office
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Civic Square ACT 2608**

CONTENTS

Preface	i
General notes	ii
Enquiries about these statistics	ii
List of chapter tables	vii
List of figures and boxes	xi
List of detailed tables on the CD-ROM	xii

01

SUMMARY OF AUSTRALIAN TAX STATISTICS	1
2005 tax returns	1
Industry profile	2
Income and net tax	3
Payments and transfers	4
Reported liabilities	5
Superannuation system	5
Source of table statistics	6

02

PERSONAL TAX	7
Overview	7
Introduction	7
New features and information	7
Personal returns	7
Personal income	9
Personal deductions	11
Rental income and deductions	13
Net business income	14
Personal tax offsets and credits	16
Medicare	18
Personal net tax	19
Higher Education Contribution Scheme and Student Financial Supplement Scheme	20
Source of personal tax statistics	20
List of personal tax detailed tables	21

03

COMPANIES AND PETROLEUM RESOURCE RENT TAX	25
Overview	25
Introduction	25
New features and information	25
Company returns	25
Consolidated companies	28
Company income	29
Company expenses	31
Company net tax	33
Petroleum resource rent tax	36
Source of company and PRRT statistics	36
List of company detailed tables	37

04

SUPERANNUATION FUNDS	40
Overview	40
Introduction	40
New features and information	40
Fund returns	41
Fund income	43
Fund deductions	46
Fund net tax	48
Source of fund statistics	50
List of fund detailed tables	50

05

PARTNERSHIPS

Overview	52
Introduction	52
New features and information	52
Partnership returns	52
Partnership income	54
Partnership expenses	56
Source of partnership statistics	57
List of partnership detailed tables	57

06

TRUSTS

Overview	59
Introduction	59
New features and information	59
Trust returns	59
Trust income	61
Trust expenses	63
Source of trust statistics	64
List of trust detailed tables	64

07

CAPITAL GAINS TAX

Overview	66
Introduction	66
New features and information	66
Net capital gains	67
Tax payable on net capital gains	68
Total capital gains	70
Capital losses	72
Source of capital gains tax statistics	73
List of capital gains tax detailed tables	73

08

FRINGE BENEFITS TAX

Overview	74
Introduction	74
New features and information	74
Fringe benefits tax returns	74
Fringe benefits tax payable	75
Fringe benefits tax rebates	76
Employee contributions	77
Source of fringe benefits tax statistics	79
List of fringe benefits tax detailed tables	79

09

PAYMENTS AND TRANSFERS THROUGH THE INCOME TAX SYSTEM

Overview	80
Introduction	80
New features and information	80
First child tax offset	81
Family tax benefit	81
Private health insurance rebate	82
Research and development tax offset	83
Film and television tax offset	84
Source of payment and transfer statistics	84
Payments and transfers detailed table	84

10

GST AND OTHER TAXES

Overview	85
Introduction	85
New features and information	85
GST liabilities	85
Input tax credits	87
Wine equalisation tax	88
Luxury car tax	88
Source of GST statistics	88
GST detailed table	88

11

EXCISE

Overview	89
Introduction	89
New features and information	89
Excise liabilities	89
Refined petroleum products	90
Tobacco	90
Alcohol	91
Crude oil	91
Source of excise statistics	91
Excise detailed table	91

12

ENERGY GRANT SCHEMES

Overview	92
Introduction	92
New features and information	92
Energy grants credits scheme (off-road activity)	92
Energy grants credits scheme (on-road activity)	93
Fuel sales grants scheme	95
Product stewardship for oil program	95
Cleaner fuels grants scheme	96
Source of energy grant scheme statistics	96
List of energy grant scheme detailed tables	96

13

SUPERANNUATION SYSTEM

Overview	97
Introduction	97
New features and information	97
Superannuation guarantee scheme	98
Superannuation holding accounts special account	98
Lost Members Register	99
Self managed superannuation funds	99
Superannuation co-contribution	100
Reasonable benefit limits	101
Superannuation surcharge	101
Source of superannuation statistics	101
List of superannuation detailed tables	101

14

INDUSTRY BENCHMARKS

Introduction	102
New features and information	102
Financial ratios	102
Activity statement ratios	103
Exclusions and considerations	103
Source of industry benchmarks	103
List of financial ratio detailed tables	103
List of activity statement ratio detailed tables	104

APPENDIX	106
Annual tax return forms	
Individual tax return, 2004–05 income year	106
Company tax return, 2004–05 income year	118
Partnership tax return, 2004–05 income year	122
Trust tax return, 2004–05 income year	128
Fund tax return, 2004–05 income year	134
Fringe benefits tax return, 2005–06 FBT year	142
GST annual return, 2005–06 financial year	145
GST information report, 2005–06 financial year	147
Schedules	
Capital gains tax schedule, 2004–05 income year	148
Losses schedule, 2004–05 income year	152
Activity statements	
Business activity statement – Sample A	156
Business activity statement – Sample B	158
Instalment activity statement	160
INDEX	162

LIST OF CHAPTER TABLES

01

AUSTRALIAN TAX STATISTICS

Table 1.1:	Taxpayers, by entity, 2003–04 and 2004–05 income years	1
Table 1.2:	Individuals lodging using e-tax, 2003–04 and 2004–05 income years	1
Table 1.3:	Taxpayers, by entity and industry, 2004–05 income year	2
Table 1.4:	Income, by entity, 2004–05 income year	3
Table 1.5:	Payments and offsets, 2003–04 and 2004–05 income years and 2004–05 and 2005–06 financial years	4
Table 1.6:	Liabilities, 2004–05 and 2005–06 financial years	5

02

PERSONAL TAX

Table 2.1:	Individuals' returns, 2003–04 and 2004–05 income years	8
Table 2.2:	Individuals' total and taxable income, 2003–04 and 2004–05 income years	9
Table 2.3:	Source of individuals' income, 2003–04 and 2004–05 income years	10
Table 2.4:	Individuals' deductions, by type, 2003–04 and 2004–05 income years	11
Table 2.5:	Individuals' work-related expenses, 2003–04 and 2004–05 income years	12
Table 2.6:	Individuals' rental income and deductions, 2003–04 and 2004–05 income years	13
Table 2.7:	Individuals' net rental income, by taxable income, 2004–05 income year	13
Table 2.8:	Individuals with net income from business operations, by industry, 2003–04 and 2004–05 income years	14
Table 2.9:	Individuals with business income, by type, 2003–04 and 2004–05 income years	15
Table 2.10:	Individuals' business expenses, by type, 2003–04 and 2004–05 income years	15
Table 2.11:	Selected tax offsets and credits claimed/ calculated by the Tax Office, 2003–04 and 2004–05 income years	17

Table 2.12:	Medicare levy and Medicare levy surcharge, 2003–04 and 2004–05 income years	18
Table 2.13:	Resident individuals' net tax payable, by taxable income, 2004–05 income year	19
Table 2.14:	Non-resident individuals' net tax payable, by taxable income, 2004–05 income year	19
Table 2.15:	HECS and SFSS debt payable, 2003–04 and 2004–05 income years	20

03

COMPANIES & PETROLEUM RESOURCE RENT TAX

Table 3.1:	Companies, by taxable status, 2003–04 and 2004–05 income years	25
Table 3.2:	Companies, by industry, 2003–04 and 2004–05 income years	26
Table 3.3:	Companies, by company size, 2003–04 and 2004–05 income years	27
Table 3.4:	Head and subsidiary companies, by market segment, 2002–03 to 2004–05 income years	28
Table 3.5:	Company income, by industry, 2003–04 and 2004–05 income years	29
Table 3.6:	Company income, by source, 2003–04 and 2004–05 income years	30
Table 3.7:	Company expenses, by industry, 2003–04 and 2004–05 income years	31
Table 3.8:	Company expenses, by type, 2003–04 and 2004–05 income years	32
Table 3.9:	Company net tax, by company size, 2003–04 and 2004–05 income years	33
Table 3.10:	Company net tax, by company type, 2004–05 income year	34
Table 3.11:	Taxable companies, by net tax, 2004–05 income year	34
Table 3.12:	Non-taxable companies, 2003–04 and 2004–05 income years	34
Table 3.13:	Non-taxable companies, by industry, 2003–04 and 2004–05 income years	35
Table 3.14:	Petroleum resource rent tax, 2004–05 and 2005–06 financial years	36

04

SUPERANNUATION FUNDS

Table 4.1: Funds, by type, 2003–04 and 2004–05 income years	41
Table 4.2: Funds, by industry, 2003–04 and 2004–05 income years	42
Table 4.3: Funds, by size, 2003–04 and 2004–05 income years	42
Table 4.4: Fund total income, by fund type, 2003–04 and 2004–05 income years	43
Table 4.5: Fund total income, by industry, 2003–04 and 2004–05 income years	44
Table 4.6: Fund income, by source, 2003–04 and 2004–05 income years	45
Table 4.7: Fund total deductions, by fund type, 2003–04 and 2004–05 income years	46
Table 4.8: Fund total deductions, by industry, 2003–04 and 2004–05 income years	46
Table 4.9: Fund total deductions, by type, 2003–04 and 2004–05 income years	47
Table 4.10: Fund net tax, by fund type, 2003–04 and 2004–05 income years	48
Table 4.11: Fund net tax, by industry, 2003–04 and 2004–05 income years	49
Table 4.12: Fund net tax, by fund size, 2003–04 and 2004–05 income years	49

05

PARTNERSHIPS

Table 5.1: Partnerships, by size, 2003–04 and 2004–05 income years	52
Table 5.2: Partnerships, by industry, 2003–04 and 2004–05 income years	53
Table 5.3: Partnership total business income, by industry, 2003–04 and 2004–05 income years	54
Table 5.4: Partnership total business income, by partnership size, 2003–04 and 2004–05 income years	55
Table 5.5: Partnership selected income items, 2003–04 and 2004–05 income years	55
Table 5.6: Partnership business expenses, by type, 2003–04 and 2004–05 income years	56

06

TRUSTS

Table 6.1: Trusts, by size, 2003–04 and 2004–05 income years	59
Table 6.2: Trusts, by industry, 2003–04 and 2004–05 income years	60
Table 6.3: Trust total business income, by industry, 2003–04 and 2004–05 income years	61
Table 6.4: Trust total business income, by trust size, 2003–04 and 2004–05 income years	62
Table 6.5: Trust selected income items, 2003–04 and 2004–05 income years	62
Table 6.6: Trust business expenses, by type, 2003–04 and 2004–05 income years	63

07

CAPITAL GAINS TAX

Table 7.1: Taxpayers with net capital gains, by entity, 2003–04 and 2004–05 income years	67
Table 7.2: Tax payable on capital gains, by entity, 2004–05 income year	68
Table 7.3: Net capital gains and CGT of taxable individuals, by taxable income, 2004–05 income year	68
Table 7.4: Net capital gains and CGT of taxable companies, by company size, 2004–05 income year	69
Table 7.5: Net capital gains and CGT of taxable funds, by fund size, 2004–05 income year	69
Table 7.6: Total current year capital gains of taxable individuals, by source, 2003–04 and 2004–05 income years	70
Table 7.7: Total current year capital gains of taxable companies, by source, 2003–04 and 2004–05 income years	71
Table 7.8: Total current year capital gains of taxable funds, by source, 2003–04 and 2004–05 income years	71
Table 7.9: Capital losses, by entity, 2003–04 and 2004–05 income years	72

08

FRINGE BENEFITS TAX

Table 8.1: FBT payable, by industry, 2004–05 and 2005–06 FBT years	75
Table 8.2: FBT rebates claimed, by industry, 2004–05 and 2005–06 FBT years	76
Table 8.3: Employee contributions, by industry, 2004–05 and 2005–06 FBT years	77
Table 8.4: Employee contributions, by type, 2004–05 and 2005–06 FBT years	78

09

PAYMENTS AND TRANSFERS THROUGH THE INCOME TAX SYSTEM

Table 9.1: First child tax offset claimed, 2003–04 and 2004–05 income years	81
Table 9.2: Family tax benefit claims, by type, 2003–04 and 2004–05 income years	81
Table 9.3: Family tax benefit entitlement claims, by family adjusted taxable income, 2004–05 income year	82
Table 9.4: Private health insurance rebate, 2003–04 and 2004–05 income years	82
Table 9.5: Private health insurance rebate, by taxable income, 2004–05 income year	82
Table 9.6: Research and development tax offset, 2003–04 and 2004–05 income years	83
Table 9.7: Film and television tax offset, 2003–04 and 2004–05 income years	84

10

GST AND OTHER TAXES

Table 10.1: Net GST liabilities, by industry, 2004–05 and 2005–06 financial years	86
Table 10.2: GST, input tax credits and deferred GST liabilities on imports, by industry, 2005–06 financial year	87
Table 10.3: Wine equalisation tax liabilities, 2004–05 and 2005–06 financial years	88
Table 10.4: Luxury car tax liabilities, 2004–05 and 2005–06 financial years	88

11

EXCISE

Table 11.1: Excise liabilities, by commodity, 2004–05 and 2005–06 financial years	89
Table 11.2: Quantities of petroleum products subject to excise, 2004–05 and 2005–06 financial years	90
Table 11.3: Quantities of tobacco products subject to excise, 2004–05 and 2005–06 financial years	90
Table 11.4: Quantities of alcohol products subject to excise, 2004–05 and 2005–06 financial years	91

12

ENERGY GRANT SCHEMES

Table 12.1: Energy grants paid for off-road credits, by entity, 2004–05 and 2005–06 financial years	92
Table 12.2: Energy grants paid for off-road credits, by industry/operation, 2004–05 and 2005–06 financial years	93
Table 12.3: Energy grants paid for on-road credits, by entity, 2004–05 and 2005–06 financial years	93
Table 12.4: Energy grants paid for on-road credits, by industry, 2004–05 and 2005–06 financial years	94
Table 12.5: Fuel sales grants scheme grants paid, by entity, 2004–05 and 2005–06 financial years	95
Table 12.6: Product stewardship for oil program payments, 2004–05 and 2005–06 financial years	95
Table 12.7: Cleaner fuels grants scheme payments, 2004–05 and 2005–06 financial years	96

13

SUPERANNUATION SYSTEM

Table 13.1: Superannuation guarantee charge collections and transfers, 2004–05 and 2005–06 financial years	98
Table 13.2: Individual account balances in the superannuation holding accounts special account, 2004–05 and 2005–06 financial years	98
Table 13.3: Lost Members Register, 2004–05 and 2005–06 financial years	99
Table 13.4: Self managed superannuation fund demographics, 2004–05 and 2005–06 financial years	99
Table 13.5: Number of members in self managed superannuation funds, 2004–05 income year	99
Table 13.6: Asset allocation across self managed superannuation funds, 2003–04 and 2004–05 financial years	99
Table 13.7: Co-contribution entitlements determined and paid, 2004–05 and 2005–06 financial years	100
Table 13.8: Number of co-contribution entitlements determined and paid, by age and sex, 2005–06 financial year	100
Table 13.9: Reasonable benefits reported, 2004–05 and 2005–06 financial years	101
Table 13.10: Surcharge assessments issued and net collections, 2004–05 and 2005–06 financial years	101

LIST OF FIGURES AND BOXES

01

AUSTRALIAN TAX STATISTICS

Box 1.1: Calculating net tax for individuals	3
Box 1.2: Calculating net tax for companies	3
Box 1.3: Calculating net tax for funds	3

02

PERSONAL TAX

Box 2.1: Calculating net tax for individuals	19
Box 2.2: Personal income tax rates for residents, 2004–05 income year	19
Box 2.3: Personal income tax rates for non-residents, 2004–05 income year	19

03

COMPANIES & PETROLEUM RESOURCE RENT TAX

Box 3.1: Company size, by total income	27
Box 3.2: Calculating net tax for companies	33
Box 3.3: Non-taxable companies	34

04

SUPERANNUATION FUNDS

Box 4.1: Fund size, by total income	42
Box 4.2: Calculating net tax for funds	48

05

PARTNERSHIPS

Box 5.1: Partnership size, by total business income	52
---	----

06

TRUSTS

Box 6.1: Trust size, by total business income	59
---	----

07

CAPITAL GAINS TAX

Box 7.1: Entity size, by total income	69
---------------------------------------	----

10

GST AND OTHER TAXES

Box 10.1: Calculating net GST liabilities	85
---	----

14

INDUSTRY BENCHMARKS

Box 14.1: Financial ratios calculated	102
Box 14.2: Activity statement ratios calculated	103

LIST OF DETAILED TABLES ON THE CD-ROM

02

PERSONAL TAX

Table 1:	Selected items, by sex and state/territory of residence, 2004–05 income year	21
Table 2:	Selected items, by state/territory/region, 2004–05 income year (Parts A to C)	21
Table 3:	Selected items, by state/territory and postcode, for taxable individuals, 2004–05 income year (Parts A to H)	21
Table 4:	Selected items, by fine industry, 2004–05 income year (Parts A to E) (See also table 10)	22
Table 5:	Selected items, by taxable income, 2004–05 income year (Parts A to E)	22
Table 6:	Number of individuals, by broad industry and state/territory/region, 2004–05 income year	23
Table 7:	Selected items for income years 1995–96 to 2004–05	23
Table 8:	Non-resident individuals: selected items, by taxable income, 2004–05 income year	23
Table 9:	One percentile distribution, by taxable income, 2004–05 income year	23
Table 10:	Selected items, by broad industry, 2004–05 income year	23
Table 11:	Selected items, by age, sex, taxable status and taxable income, 2004–05 income year	23
Table 12:	Selected items, by sex, marital status, state/territory and taxable income, 2004–05 income year	23
Table 13:	Salary and wages and total work-related expenses, by occupation code, 2004–05 income year	23
Table 14:	Selected items, by total income, 2004–05 income year (Parts A to E)	24
Table 15:	Taxpayers with business income, selected items, by total business income, 2004–05 income year (Parts A to E)	24

03

COMPANIES & PETROLEUM RESOURCE RENT TAX

Table 1:	Selected items, by net tax and company type, 2004–05 income year	37
Table 2:	Selected items, by taxable income, taxable status, residential status and company type, 2004–05 income year (Parts A to E)	37
Table 3:	Selected items, by company size and balance date, 2004–05 income year	38
Table 4:	Selected items, by fine industry, 2004–05 income year (Parts A to E)	38
Table 5:	Selected items and financial ratios for medium to large companies, by broad industry, 2004–05 income year (Parts A to D)	38
Table 6:	Selected items for income years 1995–96 to 2004–05	38
Table 7:	Selected items, by total income, taxable status, residential status and company type, 2004–05 income year (Parts A to E)	39
Table 8:	Selected items, by broad industry and total income, 2004–05 income year	39
Table 9:	Other selected items, by company size, 2004–05 income year	39
Table 10:	Selected financial and other information items, by company size, for non-membership period returns, 2004–05 income year	39

04

SUPERANNUATION FUNDS

Table 1:	Selected items, by net tax and fund status, 2004–05 income year	50
Table 2:	Selected items, by fund status and membership industry classification, 2004–05 income year (Parts A to D)	50
Table 3:	Selected items for income years 1995–96 to 2004–05	51
Table 4:	Selected items, by taxable income, 2004–05 income year (Parts A to D)	51

Table 5:	Selected items, by fund size and balance date, 2004–05 income year	51
Table 6:	Selected items, by total income, 2004–05 income year (Parts A to D)	51

05

PARTNERSHIPS

Table 1:	Selected items, by net Australian income, 2004–05 income year (Parts A to D)	57
Table 2:	Selected items, by broad industry, 2004–05 income year (Parts A to D)	58
Table 3:	Selected items for income years 1995–96 to 2004–05	58
Table 4:	Selected items, by fine industry, 2004–05 income year (Parts A to D)	58

06

TRUSTS

Table 1:	Selected items, by net Australian income, 2004–05 income year (Parts A to D)	64
Table 2:	Selected items, by broad industry, 2004–05 income year (Parts A to D)	65
Table 3:	Selected items for income years 1995–96 to 2004–05	65
Table 4:	Selected items, by fine industry, 2004–05 income year (Parts A to D)	65
Table 5:	Trustee assessments: selected items, by taxable income and residential status, 2004–05 income year	65

07

CAPITAL GAINS TAX

Table 1:	Net capital gains subject to tax, 1995–96 to 2004–05 income years	73
Table 2:	Net capital gains subject to tax, by entity and taxable income, 2004–05 income year	73

08

FRINGE BENEFITS TAX

Table 1:	FBT payers, by FBT payable, 2005–06 FBT year	79
Table 2:	FBT payable and FBT rebates, by broad industry, 2005–06 FBT year	79
Table 3:	Number of FBT payers and value of benefit, by type of benefit and broad industry, 2005–06 FBT year	79
Table 4:	Employee contributions, by type of benefit and broad industry, 2005–06 FBT year	79
Table 5:	Selected items for 1996–97 to 2005–06 FBT years	79
Table 6:	Fringe benefits, by benefit type, 2003–04 to 2005–06 FBT years	79

09

PAYMENTS AND TRANSFERS THROUGH THE INCOME TAX SYSTEM

Table 1:	Family tax benefit claims, by type, 2000–01 to 2004–05 income years	84
----------	---	----

10

GST AND OTHER TAXES

Table 1:	Selected GST, wine equalisation tax and luxury car tax items, 2000–01 to 2005–06 financial years	88
----------	--	----

11

EXCISE

Table 1:	Excise collections, 1996–97 to 2005–06 financial years	91
----------	--	----

12

ENERGY GRANTS SCHEMES

Table 1:	Energy grants credits scheme (off-road) – quantity and value of claims paid, by industry/operation, 1996–97 to 2005–06 financial years	96
Table 2:	Energy grants credits scheme (on-road) – quantity and value of claims paid, by industry, 2000–01 to 2005–06 financial years	96
Table 3:	Fuel sales grants scheme – quantity and value of claims paid, 2000–01 to 2005–06 financial years	96
Table 4:	Product stewardship for oil program – quantity and value of benefits paid, 2001–02 to 2005–06 financial years	96

13

SUPERANNUATION SYSTEM

Table 1:	Superannuation holding accounts special account, 2000–01 to 2005–06 financial years	101
Table 2:	Selected self managed superannuation fund demographics, 1999–2000 to 2005–06 financial years	101

14

INDUSTRY BENCHMARKS

Industry financial ratio detailed tables

Table IN1:	Individual industry financial ratios, by business status, 2004–05 income year (Parts A and B)	103
Table IN2:	Individual industry financial ratios, by total business income, 2004–05 income year (Parts A and B)	103
Table CO1:	Company industry financial ratios, by business status, 2004–05 income year (Parts A and B)	104

Table CO2:	Company industry financial ratios, by total business income, 2004–05 income year (Parts A and B)	104
Table PA1:	Partnership industry financial ratios, by business status, 2004–05 income year (Parts A and B)	104
Table PA2:	Partnership industry financial ratios, by total business income, 2004–05 income year (Parts A and B)	104
Table TR1:	Trust industry financial ratios, by business status, 2004–05 income year (Parts A and B)	104
Table TR2:	Trust industry financial ratios, by total business income, 2004–05 income year (Parts A and B)	104

Industry activity statement ratio detailed tables

Table INAS1:	Individual industry activity statement ratios, by business status, 2004–05 income year	104
Table INAS2:	Individual industry activity statement ratios, by level of sales and profitability, 2004–05 income year	104
Table COAS1:	Company industry activity statement ratios, by business status, 2004–05 income year	104
Table COAS2:	Company industry activity statement ratios, by level of sales and profitability, 2004–05 income year	105
Table PAAS1:	Partnership industry activity statement ratios, by business status, 2004–05 income year	105
Table PAAS2:	Partnership industry activity statement ratios, by level of sales and profitability, 2004–05 income year	105
Table TRAS1:	Trust industry activity statement ratios, by business status, 2004–05 income year	105
Table TRAS2:	Trust industry activity statement ratios, by level of sales and profitability, 2004–05 income year	105

Welcome to the latest edition of *Taxation Statistics*, the Australian Taxation Office's (Tax Office) most comprehensive statistical publication.

Australian law requires that people pay taxes and other charges to fund a range of programs and community services. The role of the Tax Office is to manage and shape tax, excise and superannuation systems that fund services for Australians. The Tax Office is the Australian Government's principal revenue collection agency and a major payer of benefits. The Tax Office is also the custodian of the Australian Business Register and the regulator of self managed superannuation funds.

Taxation Statistics 2004–05 presents an overview of:

- 2005 income tax returns for individuals, companies, funds, partnerships and trusts
- payments and transfers made through the income tax system relating to the 2004–05 income year
- reported liabilities for goods and services tax (GST) and excise, payments for energy grant schemes, and fringe benefits tax for the 2005–06 financial year, and
- the superannuation system.

2005 TAX RETURNS

OVERVIEW

For the 2004–05 income year:

- 13.2 million returns were lodged, 2.5% more than for 2003–04
- individual returns represented 85.3% of all returns lodged
- funds experienced the largest growth in the number of returns lodged, with 8.0% more than for 2003–04
- 2.8% fewer partnerships lodged returns than in 2003–04
- the proportion of individuals lodging returns using e-tax increased to 11.6%.

Table 1.1: Taxpayers¹, by entity, 2003–04 and 2004–05 income years

Entity	2003–04 ²		2004–05 ²	
	No.	%	No.	%
Individual	10,978,900	85.4	11,235,993	85.3
Company	684,009	5.3	707,455	5.4
Partnership	447,207	3.5	434,491	3.3
Trust	501,860	3.9	533,268	4.0
Fund	248,149	1.9	267,977	2.0
Total	12,860,125	100	13,179,184	100

¹ Includes residents and non-residents.

² Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

Table 1.2: Individuals lodging using e-tax, 2003–04 and 2004–05 income years

Method of lodging	2003–04 ¹		2004–05 ¹	
	No.	%	No.	%
e-tax	1,016,044	9.3	1,298,581	11.6
Other	9,962,856	90.7	9,937,412	88.4
Total	10,978,900	100	11,235,993	100

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

INDUSTRY PROFILE

OVERVIEW

For the 2004–05 income year:

- 59.0% of individuals were salary and wage earners
- 30.5% of companies were in the property and business services industry
- 26.5% of partnerships were in the agriculture, forestry and fishing industry
- 22.8% of trusts were investment income recipients.

Industry classification is an important economic and statistical tool for government and non-government agencies. The industry profile is used to identify groupings of businesses which carry out similar economic activities. Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993 codes have been used for all chapters, except for fringe benefits tax (chapter 8), GST (chapter 10) and energy grant schemes (chapter 12), where ANZSIC 2006 codes are used. Next year all statistics will be based on ANZSIC 2006 codes.

Table 1.3: Taxpayers¹, by entity and industry, 2004–05 income year

Industry ²	Individuals No.	Companies No.	Partnerships No.	Trusts No.
Salary & wage earners	6,632,073	n.a.	n.a.	n.a.
Investment income recipients ³	1,780,691	n.a.	40,675	121,408
Agriculture, forestry & fishing	280,392	18,349	115,139	27,638
Mining	1,822	3,502	633	650
Manufacturing	59,560	47,395	20,743	13,639
Electricity, gas & water supply	461	744	251	177
Construction	185,489	70,020	60,616	25,437
Wholesale trade	17,138	35,816	10,549	9,511
Retail trade	80,381	57,605	53,372	27,950
Accommodation, cafes & restaurants	12,315	15,885	15,123	9,759
Transport & storage	55,982	28,422	17,850	9,102
Communication	16,108	7,288	3,260	1,617
Finance & insurance	30,835	137,102	5,574	51,013
Property & business services	215,070	215,734	47,769	77,548
Education	22,871	5,196	1,915	1,328
Health & community services	68,807	25,354	4,783	9,062
Cultural & recreational services	65,838	12,867	7,261	3,470
Personal & other services	74,675	17,442	15,977	7,478
Other	1,635,485	8,734	13,001	136,481
Total	11,235,993	707,455	434,491	533,268

1 Excludes funds.

2 The industry groups are based on the ANZSIC 1993 codes.

3 Refers to personal taxpayers (not classified as 'Salary and wage earners'), partnership or trust taxpayers who reported direct income from investment (for example, rental income, interest and dividends) but did not report income or loss from a business, partnership or trust on their returns.

INCOME AND NET TAX

OVERVIEW

For the 2004–05 income year:

- individuals accounted for 85.3% of total taxpayers, 20.6% of total income, 67.7% of taxable income and 69.6% of net tax
- companies accounted for 5.4% of total taxpayers, 75.6% of total income, 23.1% of taxable income and 27.2% of net tax
- funds accounted for 2.0% of total taxpayers, 3.8% of total income, 9.2% of taxable income and 3.2% of net tax.

Box 1.1: Calculating net tax for individuals¹

Individual net tax is calculated as:	
	Total income
less	Total deductions
less	Primary production and non-primary production prior year losses
<i>gives</i>	<i>Taxable income or loss</i>
apply	Marginal tax rates
add	Complementary tax ¹
<i>gives</i>	<i>Gross tax</i>
subtract	Total tax offsets and credits
add	Medicare levy
add	Medicare levy surcharge
<i>gives</i>	<i>Net tax</i>
<p>¹ The amount of tax added to ordinary tax when a primary producer's average income exceeds taxable income. (Total tax offsets and credits do not include the 30% private health insurance rebate, imputation credits, share of imputation credits from franked dividends, the first child tax offset (baby bonus) and the section 100(2) credit.) This part of the calculation cannot result in an amount of less than \$0.</p>	

Box 1.2: Calculating net tax for companies

Company net tax is calculated as:	
	Total income (item 6 income, label S)
less	Total expenses (item 6 expenses, label Q)
equals	Operating profit or loss (item 6, label T)
add or subtract	Extraordinary items and reconciliation items ¹
<i>gives</i>	<i>Taxable income or loss (calculation label A)</i>
apply	Relevant tax rate ²
<i>gives</i>	<i>Gross tax (calculation label B)</i>
subtract	Rebates/tax offsets, foreign tax credits, franking deficit tax offset (calculation labels C–E)
<i>gives</i>	<i>Tax payable³</i>
subtract	Other refundable credits (calculation label Z)
<i>gives</i>	<i>Net tax</i>
<p>¹ Adjustments made for items where the tax treatment differs from the company's accounting treatment.</p> <p>² The general company rate is 30%, but other rates may apply to life insurance companies, retirement savings account providers, pooled development funds and non-profit organisations.</p> <p>³ Located below calculation label G on the company income tax return form.</p>	

Box 1.3: Calculating net tax for funds

Fund net tax is calculated as:	
	Total income (item 9A, label S – excludes gross foreign income)
less	Total deductions (item 9B, labels A–G)
<i>gives</i>	<i>Taxable income or loss (item 8, label A)</i>
apply	Fund type specific tax rate
<i>gives</i>	<i>Gross tax (item 8, label B)</i>
subtract	Foreign tax credits, rebates/tax offsets
<i>gives</i>	<i>Tax payable</i>
subtract	Refundable franking credits (item 8, label Q)
<i>gives</i>	<i>Net tax</i>

Table 1.4: Income, by entity, 2004–05 income year¹

Entity	Total income \$m	Taxable income \$m	Net tax \$m
Individual ²	447,450	423,742	103,608
Company ³	1,638,816	144,284	40,483
Fund	81,372	57,715	4,819
Total	2,167,638	625,741	148,910

¹ Based on 2005 annual income tax returns processed up to 31 October 2006.

² Includes net business income distributions from partnerships or trusts.

³ Taxable income refers to 'Taxable or net income' reported on the company tax return.

PAYMENTS AND TRANSFERS

OVERVIEW

For the 2005–06 financial year:

- the fuel grant schemes paid out the largest benefit, totalling \$3.8 billion.

For the 2005–06 income year:

- 1.2 million individuals were paid a superannuation co-contribution, with an average payment of \$794.

For the 2004–05 income year:

- transfers providing assistance to families and individuals totalled more than \$2.1 billion, growing from \$1.5 billion in 2003–04
- the research and development tax offset grew to \$239.0 million, a 10.1% increase from 2003–04
- a total of \$11.0 million in film and television tax offset was claimed, a 68.6% decrease from 2003–04.

The Tax Office pays out around \$7.5 billion in payment benefits to taxpayers annually. Various grants, benefits, tax offsets and redistribution programs are conducted, sometimes in conjunction with other government agencies.

These include:

- family tax benefit (chapter 9)
- first child tax offset (chapter 9)
- private health insurance rebate (chapter 9)
- research and development tax offset (chapter 9)
- film and television tax offset (chapter 9).
- fuel sales grants scheme (chapter 12)
- energy grants credits schemes (chapter 12)
- cleaner fuels grants scheme (chapter 12)
- product stewardship for oil program (chapter 12)
- superannuation co-contribution (chapter 13)
- superannuation guarantee payments (chapter 13).

Table 1.5: Payments and offsets, 2003–04 and 2004–05 income years and 2004–05 and 2005–06 financial years

Payment/Offset type	Income year	
	2003–04 ¹	2004–05 ¹
	\$m	\$m
Family tax benefit entitlement	345	441
First child tax offset	247	268
Private health insurance rebate	163	169
Research and development tax offset	217	239
Film and television tax offset	35	11
	Financial year	
	2004–05	2005–06
	\$m	\$m
Energy grants credits scheme	3,471	3,530
Fuel sales grants scheme	258	250
Cleaner fuels grants scheme	2	22
Product stewardship for oil program	16	17
Superannuation co-contribution determined and paid	309	959
Superannuation guarantee charge collections	181	228

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

REPORTED LIABILITIES

OVERVIEW

For the 2005–06 financial year:

- fringe benefits tax collections totalled \$3.6 billion, an increase of 5.3% from 2004–05
- GST liabilities increased by 5.3% to \$37.3 billion
- excise liabilities were \$21.8 billion, a marginal decrease compared to 2004–05 liabilities of \$21.9 billion
- liabilities from wine equalisation tax were \$663.0 million, a 0.5% decline from 2004–05
- luxury car tax liabilities increased by 7.3% to \$322.4 million.

In addition to collecting taxes from different entity types such as individuals, companies and superannuation funds, the Tax Office is responsible for collecting other taxes that are not specific to a particular entity.

Table 1.6: Liabilities, 2004–05 and 2005–06 financial years

Liability	2004–05 \$m	2005–06 \$m
Fringe benefits tax ¹	3,405	3,585
Goods and services tax ²	35,454	37,329
Excise ²	21,936	21,761
Wine equalisation tax ²	666	663
Luxury car tax ²	300	322

1 Data for 2004–05 and 2005–06 FBT years includes data from FBT returns processed up to 31 October 2005 and 31 October 2006 respectively.

2 Processed liabilities at 31 October 2006, by amount sent to the Tax Office.

SUPERANNUATION SYSTEM

OVERVIEW

During the 2005–06 financial year:

- there were 320,003 self managed superannuation funds, with a total of 616,576 members
- 899,733 individuals were liable for the superannuation surcharge, which totalled \$951.0 million
- more than 1 million accounts were removed from the Lost Members Register.

The superannuation system in Australia is affected by many areas of taxation so many statistics can be reported. The tax statistics of superannuation funds and of end benefits paid to individuals are detailed in the superannuation fund (chapter 4) and personal tax (chapter 2) chapters, while other statistics are outlined in the superannuation system chapter (chapter 13).

The superannuation system chapter contains statistics about various systems that the Tax Office plays a major role in administering. These include the superannuation guarantee, the superannuation holding accounts special account, the Lost Members Register, departing Australia superannuation payments, the regulation of self managed superannuation funds, the co-contributions system, reasonable benefit limits and the superannuation contributions surcharge.

SOURCE OF TABLE STATISTICS

Statistics reported in this publication are sourced from 2006, 2005 and 2004 annual tax returns, schedules to tax returns, activity statements and other sources. Copies of annual tax returns, relevant schedules and activity statements are in the appendix. They may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on the Tax Office website.

This publication is a source of tax statistics, but it is not the source of all the statistics the Tax Office collects or reports. For example, statistics on the number of tax legal cases and audits conducted are not reported in this publication. In addition, the publication reports only statistics on taxes or collection systems administered by the Tax Office.

Chapter	Source of statistics	Processed dates
Personal tax	2005 individual tax returns	1 July 2005 to 31 October 2006
	2004 individual tax returns	1 July 2004 to 31 October 2005
Companies and petroleum resource rent tax	2005 company tax returns	1 July 2005 to 31 October 2006
	2004 company tax returns	1 July 2004 to 31 October 2005
	2006 petroleum resource rent tax return and instalment statements	1 July 2005 to 31 October 2006
	2005 petroleum resource rent tax return and instalment statements	1 July 2004 to 31 October 2005
Superannuation funds	2005 fund tax returns	1 July 2005 to 31 October 2006
	2004 fund tax returns	1 July 2004 to 31 October 2005
Partnerships	2005 partnership tax returns	1 July 2005 to 31 October 2006
	2004 partnership tax returns	1 July 2004 to 31 October 2005
Trusts	2005 trust tax returns	1 July 2005 to 31 October 2006
	2004 trust tax returns	1 July 2004 to 31 October 2005
Capital gains tax	2005 capital gains tax schedules	1 July 2005 to 31 October 2006
	2004 capital gains tax schedules	1 July 2004 to 31 October 2005
Fringe benefits tax	2006 fringe benefits tax returns	1 April 2005 to 31 October 2006
	2005 fringe benefits tax returns	1 April 2004 to 31 October 2005
Payments and transfers through the tax system	2005 individual tax returns	1 July 2005 to 31 October 2006
	2005 company tax returns	
	2004 individual tax returns	1 July 2004 to 31 October 2005
	2004 company tax returns	
GST and other taxes	2006 GST annual returns	1 July 2005 to 30 June 2006
	Business activity statements	
	Australian Customs Service	
Excise	Excise return forms	1 July 2005 to 30 June 2006
Energy grants credits scheme	Energy grants credits scheme claim forms	1 July 2005 to 30 June 2006
Superannuation system	Australian Prudential Regulation Authority publications	June 2006 and 2005
	2005 fund tax returns	1 July 2005 to 31 October 2006
	Australian Business Register	As at 30 June 2006
Industry benchmarks	2005 individual, company, partnership and trust tax returns	1 July 2005 to 31 October 2006
	2005 GST annual returns	1 July 2004 to 30 June 2005
	Business activity statements	

OVERVIEW

For the 2004–05 income year:

- 11.2 million individuals lodged income tax returns
- individuals had total income of \$447.5 billion, taxable income of \$423.7 billion and net tax payable of \$103.6 billion
- individuals claimed \$23.8 billion in total deductions, including \$11.9 billion in work-related expenses
- 7.7 million individuals were entitled to tax offsets and credits totalling \$13.6 billion
- 73.0% of tax returns, or 8.2 million, were submitted by tax agents, and 11.6% or 1.3 million were submitted using e-tax.

INTRODUCTION

This chapter provides information about individuals as reported on their income tax returns. A tax return is a form used to disclose income, tax withheld, deductions and/or tax offsets for an income year. An individual is required to lodge an income tax return for many reasons, with two of the more common reasons being if they paid tax during the year or if their taxable income exceeded certain amounts.

Individuals have from 1 July to 31 October to lodge their tax return, unless it is prepared by a registered tax agent, in which case the deadline is 15 May.

Individuals generally receive most of their income from salary or wages, Australian Government pensions and benefits, or investments. They may also have business income, business losses or deductions.

NEW FEATURES AND INFORMATION

Statistics for the 2004–05 income year reported in this chapter may have been affected by:

- personal income tax cuts
- introduction of the mature age worker tax offset. Workers aged 55 years and over may be entitled to the offset, based on the amount of income they received from working.

The following new labels were added to the 2005 individual tax return and have been included in the detailed tables:

- Primary production losses carried forward from earlier income years (item L1, label Q)
- Non-primary production losses carried forward from earlier income years (item L1, label R)
- Share of credit for amounts withheld from foreign resident withholding (item 12, label A)
- Tax withheld – foreign resident withholding (item 14, label E)
- Primary production – Gross payments subject to foreign resident withholding (item P8, label A)
- Non-primary production – Gross payments subject to foreign resident withholding (item P8, label B)
- Foreign resident withholding expenses (item P8, label U).

PERSONAL RETURNS

For the 2004–05 income year, 11.2 million individuals lodged returns. These individuals represented 55.0% of the total estimated Australian population of 20.3 million as at 30 June 2005 (Australian Bureau of Statistics, *Australian demographic statistics*, June 2005, Cat. No. 3101.0).

Some 11.6% of these individuals lodged their return using e-tax, up from 9.3% for 2003–04. The proportion of taxpayers lodging returns using e-tax generally decreased with age. The Australian Capital Territory had the highest proportion of people lodging returns using e-tax, with 22.0%, while Victoria had the lowest with 9.5%.

Table 2.1: Individuals' returns, 2003–04 and 2004–05 income years

	2003–04 ¹			2004–05 ¹		
	e-tax	Other	Total	e-tax	Other	Total
By method of lodging						
Agent	0	8,091,103	8,091,103	0	8,211,730	8,211,730
Self-preparer	1,016,044	1,871,753	2,887,797	1,298,581	1,725,682	3,024,263
Total	1,016,044	9,962,856	10,978,900	1,298,581	9,937,412	11,235,993
By tax status						
Taxable	821,522	8,029,788	8,851,310	1,047,905	8,051,174	9,099,079
Non-taxable	194,522	1,933,068	2,127,590	250,676	1,886,238	2,136,914
Total	1,016,044	9,962,856	10,978,900	1,298,581	9,937,412	11,235,993
By sex						
Male	511,042	5,186,948	5,697,990	647,554	5,171,349	5,818,903
Female	505,002	4,775,908	5,280,910	651,027	4,766,063	5,417,090
Total	1,016,044	9,962,856	10,978,900	1,298,581	9,937,412	11,235,993
By state						
NSW	317,697	3,284,015	3,601,712	404,911	3,263,002	3,667,913
VIC	207,421	2,538,541	2,745,962	265,890	2,535,963	2,801,853
QLD	225,495	1,900,190	2,125,685	291,553	1,908,976	2,200,529
SA	77,432	760,358	837,790	100,769	752,377	853,146
WA	114,970	988,702	1,103,672	146,193	990,635	1,136,828
TAS	23,073	232,185	255,258	29,031	232,748	261,779
ACT	37,758	165,151	202,909	45,383	160,737	206,120
NT	10,602	86,962	97,564	12,844	86,949	99,793
Other/not stated	1,596	6,752	8,348	2,007	6,025	8,032
Total	1,016,044	9,962,856	10,978,900	1,298,581	9,937,412	11,235,993
By age						
<21	208,290	871,652	1,079,942	269,859	839,897	1,109,756
21–30	306,908	1,709,547	2,016,455	393,590	1,656,492	2,050,082
30–40	216,246	2,191,224	2,407,470	270,449	2,153,186	2,423,635
40–50	160,994	2,177,630	2,338,624	200,629	2,177,350	2,377,979
50–60	91,496	1,722,713	1,814,209	119,719	1,752,922	1,872,641
>60	32,110	1,290,090	1,322,200	44,335	1,357,565	1,401,900
Total	1,016,044	9,962,856	10,978,900	1,298,581	9,937,412	11,235,993

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

PERSONAL INCOME

For the 2004–05 income year, individuals had total income of \$447.5 billion and taxable income of \$423.7 billion. The average taxable income for all individuals increased by 3.6% to \$38,347 for 2004–05. The average taxable income of men increased by 3.6% to \$45,331 and there was a 3.5% increase for women to \$30,668. The disparity in average taxable income between men and women reflects different employment patterns and participation in the labour force.

Table 2.2: Individuals' total and taxable income, 2003–04 and 2004–05 income years

Income	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Total income²	10,819,176	414,114	11,073,438	447,450
Male	5,679,730	257,468	5,799,417	277,801
Female	5,139,446	156,646	5,274,021	169,649
Taxable income²	10,667,273	394,690	11,050,246	423,742
Male	5,602,424	244,564	5,787,015	262,332
Female	5,064,849	150,127	5,263,231	161,411

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Totals may differ slightly from the sum of components due to rounding.

Salary and wages was the most common type of income reported in 2003–04 and 2004–05, with 77.9% of individuals reporting income from this source. Salary and wages represented 73.7% and 73.3% of total income respectively for each year. The average amount of salary and wages paid to an individual increased by 4.6% to \$37,835 in 2004–05.

Net capital gains grew strongly in 2004–05, increasing by 21.3% from 2003–04. This was largely due to 18.4% more people realising gains in 2004–05 than in 2003–04 as a result of the strong property and share markets. The strength of the share market is also reflected in the growth of gross dividends and primary imputation credits, which grew by 16.8% and 16.9% respectively in 2004–05.

Table 2.3: Source of individuals' income, 2003–04 and 2004–05 income years

Source of income ¹	2003–04 ²		2004–05 ²	
	No.	\$m	No.	\$m
Salary & wages	8,435,280	305,010	8,664,172	327,808
Net partnership & trust distributions	2,082,305	27,381	2,099,574	29,071
Net business income	909,323	13,654	941,217	14,355
Gross dividends	3,079,572	11,512	3,037,374	13,449
Other pensions/annuities (non-government)	543,304	10,994	578,826	12,505
Net capital gains	969,688	10,230	1,147,928	12,413
Gross interest	4,002,645	7,223	4,344,923	8,475
Eligible termination payments – other than excessive component	297,199	5,208	333,389	5,729
Primary imputation credits	3,022,190	4,720	2,983,535	5,516
Allowances, benefits, earnings & tips	1,989,319	5,136	2,029,870	5,508
Commonwealth of Australia pensions & allowances	669,729	4,677	702,942	5,072
Commonwealth of Australia benefits & payments	997,931	4,659	967,397	4,468
Lump sum payments – assessable in full (amount A)	155,324	1,426	148,202	1,384
Net personal services income	72,163	1,088	77,885	1,221
Other foreign income	819,070	859	877,286	956
Other income category 2 ³	105,947	809	110,649	941
Less total deferred losses	129,665	736	136,405	871
Other income category 1 ⁴	65,156	495	76,617	690
Foreign employment & pension or annuity income without an undeducted purchase price	53,558	544	57,237	612
Foreign pension or annuity income with an undeducted purchase price	54,542	392	58,185	429
Attributed personal services income	6,526	154	6,395	156
Eligible termination payments – excessive component	544	32	602	41
Attributed foreign income	5,166	12	1,844	12
Lump sum payments – 5% assessable (5% of amount B)	18,903	10	18,752	10
Life assurance bonuses	2,916	3	2,580	3
Australian franking credits from a New Zealand company	6,497	1	7,705	1
Net farm management withdrawals or deposits	26,911	–82	25,665	–155
Net rent	1,481,072	–2,776	1,510,921	–4,101
Total⁵	10,819,176	414,114	11,073,438	447,450

1 Definitions for the different sources of income are in the personal tax return form guide on the attached CD-ROM.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 'Other income category 2' includes 'Other salary and wages category 2' and 'Other income n.e.i. (not elsewhere included) category 2'.

4 'Other income category 1' includes 'Other salary and wages category 1' and 'Other income n.e.i. (not elsewhere included) category 1'.

5 Components do not add to the total number of taxpayers as taxpayers may declare more than one type of income. The total income amount shown in this table is the sum of components as shown by taxpayers on their annual income tax returns. It is not necessarily the total income calculated by the Tax Office during assessment. Totals may differ slightly from the sum of components due to rounding.

PERSONAL DEDUCTIONS

Deductions are subtracted from assessable (or total) income to give taxable income, to which the tax rates are then applied. Deductions are generally categorised as work-related deductions or other deductions. Work-related deductions are directly related to gaining or producing an employee's assessable income. Other deductions include gifts, film industry incentives, and expenses such as the cost of managing tax affairs.

Work-related expenses were the most common type of deduction claimed, with 79.5% of individuals who claimed deductions in the 2004–05 income year claiming one or more work-related deductions. There was a 26.4% increase in the amount of gifts or donations claimed in 2004–05, largely due to donations for the 26 December 2004 Asian tsunami. While 73.7% of individuals, or 8.1 million, used a tax agent to lodge their 2003–04 income tax return, only 5.1 million claimed deductions for the cost of managing tax affairs on their 2004–05 income tax return.

Table 2.4: Individuals' deductions, by type, 2003–04 and 2004–05 income years

Type of deduction	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Work-related expenses	6,959,955	11,101	7,179,897	11,930
Undeducted purchase price of Australian pension or annuity	301,571	2,130	336,633	2,602
Interest & dividends	931,745	1,743	952,908	2,203
Non-employer-sponsored superannuation	172,897	1,605	179,725	2,023
Gifts or donations	3,874,128	1,165	4,312,817	1,472
Cost of managing tax affairs	5,032,904	1,106	5,145,331	1,219
Low-value pool	170,882	89	195,237	99
Undeducted purchase price of foreign pension or annuity	47,877	46	51,286	51
Film industry incentives	1,475	22	1,229	23
Election expenses	2,396	5	2,176	7
Project pool	1,090	3	950	3
Other	386,222	1,030	408,959	1,117
Total²	8,721,967	20,044	9,028,798	22,750
Prior year losses ³	114,332	932	75,961	1,035

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Components do not add to the total number of taxpayers claiming deductions as taxpayers may claim more than one type of deduction. Totals may differ slightly from the sum of components due to rounding.

3 This is the sum of primary and non-primary production tax losses applied from earlier income years. These figures are different from last year's publication as data errors have been identified and corrected.

Individuals can claim more than one work-related expense. Clothing was the most common work-related expense claimed for 2004–05, with 4.9 million taxpayers claiming around \$1.1 billion worth of clothing (uniform) expenses. However, in value terms, motor vehicle expenses accounted for the largest share, representing 39.5% of total work-related expenses claimed, with the average claim valued at \$2,013.

Table 2.5: Individuals' work-related expenses, 2003–04 and 2004–05 income years

Work-related expense	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Motor vehicle (car)	2,245,792	4,413	2,338,000	4,707
Clothing (uniform)	4,674,429	1,066	4,901,414	1,132
Other travel	613,279	900	667,427	1,005
Self-education	515,594	754	514,316	780
Other	5,231,885	3,968	5,421,783	4,306
Total²	6,959,955	11,101	7,179,897	11,930

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Components do not add to the total number of taxpayers claiming work-related expenses as taxpayers may claim more than one type of work-related expense. Totals may differ slightly from the sum of components due to rounding.

RENTAL INCOME AND DEDUCTIONS

For the 2003–04 and 2004–05 income years, total rental deductions were greater than total rental income, resulting in negative net rental income. In 2004–05 net rental income decreased by 47.7%, while the number of individuals with net rental income increased by only 2.0%.

The main reason for the increase in negative net rental income was that rental interest deductions were 20.3% or \$2.0 billion higher. Rental interest deductions rose following three official interest rate rises during 2003–04 and 2004–05 and increases in the purchase price of rental properties.

Table 2.6: Individuals' rental income and deductions, 2003–04 and 2004–05 income years

Rental income/deductions	No.	2003–04 ¹		2004–05 ¹	
		No.	\$m	No.	\$m
Gross rental income	1,465,347	16,148	17,653	1,495,646	17,653
Less Rental interest deductions	1,154,416	10,083	12,126	1,185,721	12,126
Capital works deductions	439,095	835	965	479,240	965
Other rental deductions	1,467,292	8,006	8,662	1,497,282	8,662
Net rental income²	1,481,072	-2,776	-4,101	1,510,921	-4,101

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Components do not add to the total number of taxpayers claiming rental deductions as taxpayers may claim more than one type of deduction. Totals may differ slightly from the sum of components due to rounding.

For 2004–05, 65.4% of individuals with net rental income had a taxable loss (net rental income less than zero) from their rental property. Some 45.7% of individuals with net rental income had a taxable income between \$21,601 and \$58,000.

Table 2.7: Individuals' net rental income, by taxable income, 2004–05 income year

Taxable income	Net rental income less than \$0		Net rental income more than or equal to \$0		Total	
	No.	\$m	No.	\$m	No.	\$m
\$0–\$6,000	89,830	-800	42,636	139	132,466	-661
\$6,001–\$21,600	132,051	-847	118,969	601	251,020	-246
\$21,601–\$58,000	467,219	-3,113	223,096	1,322	690,315	-1,791
\$58,001–\$70,000	103,195	-752	45,696	296	148,891	-456
\$70,001 or more	195,342	-2,001	92,887	1,054	288,229	-946
Total¹	987,637	-7,513	523,284	3,413	1,510,921	-4,101

¹ Totals may differ slightly from the sum of components due to rounding.

NET BUSINESS INCOME

For the 2004–05 income year, more than 1.7 million individuals declared net income or loss from business operations on their tax return.

There was not a significant change in the number of individuals with net business income from 2003–04 to 2004–05. There was a general increase in the number of individuals identified by industry, and a corresponding decrease of 3.8% in the number of individuals reporting their industry under 'other'. There was a 4.4% increase in the number of individuals reporting a loss from their business activities.

Table 2.8: Individuals with net income¹ from business operations, by industry, 2003–04 and 2004–05 income years

Industry ²	2003–04 ³		2004–05 ³	
	Net business income No.	Net business losses No.	Net business income No.	Net business losses No.
Agriculture, forestry & fishing	177,131	100,475	169,184	107,076
Mining	1,027	339	1,068	319
Manufacturing	42,603	11,446	42,335	11,880
Electricity, gas & water supply	308	77	319	97
Construction	151,350	13,000	154,366	14,350
Wholesale trade	10,868	5,057	10,818	5,432
Retail trade	51,298	23,232	51,912	25,309
Accommodation, cafes & restaurants	7,066	4,397	7,194	4,496
Transport & storage	45,977	5,170	46,853	5,387
Communication	13,335	1,287	13,407	1,414
Finance & insurance	15,056	13,635	14,639	14,386
Property & business services	146,554	28,647	153,218	29,896
Education	16,046	3,110	17,000	3,473
Health & community services	51,670	9,097	54,808	9,732
Cultural & recreational services	40,120	19,325	41,342	20,501
Personal & other services	53,629	14,751	54,687	16,009
Other ⁴	511,065	147,004	486,146	147,812
Total	1,335,103	400,049	1,319,296	417,569

1 The term 'Net business income' in this table refers to the sum of net business income primary production, net business income non-primary production, distribution from partnerships primary production, distribution from partnerships non-primary production, distribution from trusts primary production and net farm management withdrawals less deposits. Distribution from trusts non-primary production generally comprises income from investments, and thus has not been included in identifying taxpayers with net business income.

2 The industry groups are classified based on the Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993 codes.

3 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes individuals classified under the government, administration and defence code and those who did not state their industry.

There was a 10.3% increase in income from business operations in 2004–05, with the growth mainly driven by the 13.1% increase in other business income.

Table 2.9: Individuals with business income, by type, 2003–04 and 2004–05 income years

Type of income	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Gross payments where ABN not quoted	3,881	112	3,642	190
Gross payments subject to foreign resident withholding	n.a.	n.a.	341	22
Gross payments – voluntary agreement	11,981	374	11,008	379
Gross payments – labour hire or other specified payments	6,702	134	6,505	133
Assessable government industry payments	21,190	319	21,908	290
Other business income	849,995	65,981	874,597	74,614
<i>Total business income</i> ²	<i>871,957</i>	<i>66,921</i>	<i>895,733</i>	<i>75,547</i>
Other business type income ³	683,818	14,945	651,587	14,757
Total income from business operations⁴	1,511,723	81,866	1,504,427	90,305

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 'Total business income' here refers to the total business income in item P8 of the business and professional items schedule.

3 The term 'Other business type income' in this table refers to the sum of distribution from partnerships primary production, distribution from partnerships non-primary production, distribution from trusts primary production and net farm management withdrawals less deposits. Distribution from trusts non-primary production generally comprises income from investments, and thus has not been included in identifying taxpayers with net business income.

4 Components do not add to the total number of taxpayers reporting business income as taxpayers may earn more than one type of business income. Totals may differ slightly from the sum of components due to rounding.

Around 8.2% of all individuals claimed business expenses worth \$60.7 billion in 2004–05, an increase of 14.8% from 2003–04. Cost of sales was the largest business expense claimed, accounting for 45.8% of total business expenses. The most common business expense claimed was motor vehicles.

Table 2.10: Individuals' business expenses¹, by type, 2003–04 and 2004–05 income years

Type of expense	2003–04 ²		2004–05 ²	
	No.	\$m	No.	\$m
Cost of sales	233,967	22,298	239,182	27,815
Other expenses	845,452	19,606	873,271	21,068
Motor vehicle	619,482	2,708	632,585	2,855
External labour	99,089	2,007	102,692	2,196
Depreciation	545,678	1,919	563,287	2,091
Rent	157,751	1,744	161,086	1,857
Interest	208,899	1,148	218,045	1,316
Repairs & maintenance	273,984	675	272,192	691
Superannuation	72,865	432	73,170	452
Lease expenses	46,719	330	46,975	336
Bad debts	8,576	37	8,554	45
Total³	884,744	52,903	915,043	60,723

1 Refers to business expenses in item P8 of the business and professional items schedule.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Components do not add to the total number of individuals claiming business expenses as individuals may claim more than one type of business expense. Totals may differ slightly from the sum of components due to rounding.

PERSONAL TAX OFFSETS AND CREDITS

The purpose of tax offsets is to provide tax relief for certain individuals, for example, low-income earners or pensioners. Tax offsets reduce the amount of tax payable on taxable income. Credits are for tax already paid by the individual or by a trustee on behalf of the individual.

Non-refundable tax offsets can reduce the amount of tax owing only to \$0. While an individual's full entitlement to a tax offset is referred to as the amount claimed, the amount used to offset an individual's tax owing is referred to as the amount of tax offset allowed.

For the 2004–05 income year, total tax offsets and credits increased by 17.6% from 2003–04. This growth was mainly due to the introduction of the mature age worker tax offset, and the 17.8% increase in total franking credits claimed by individuals as a result of the strong share market.

Table 2.11: Selected tax offsets and credits claimed/calculated by the Tax Office, 2003–04 and 2004–05 income years

Type of tax offset and credit	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Tax offsets claimed on return				
Total franking credits ²	3,376,867	6,199	3,348,851	7,305
Superannuation contribution, annuity & pension	332,147	677	367,865	806
Spouse	337,914	396	340,469	415
Medical expenses	481,900	272	538,417	321
Zone or overseas forces	503,197	209	515,932	215
Private health insurance rebate	308,214	163	284,636	169
Parent/parent in-law/invalid relative	13,508	17	17,436	22
Superannuation contributions on behalf of spouse	32,950	14	35,277	15
Landcare & water tax offset brought forward from previous year	116	0	124	0
Other	4,056	11	3,730	9
<i>Total</i> ⁶	<i>4,448,190</i>	<i>7,957</i>	<i>4,480,326</i>	<i>9,277</i>
Selected tax offsets calculated by the Tax Office				
Termination payment	240,702	1,569	248,342	1,752
Senior Australians tax offset	576,299	1,050	592,869	1,040
Low income	3,501,968	662	3,421,771	646
Pension or pensioner	274,068	413	279,149	463
Mature age worker tax offset	n.a.	n.a.	1,070,032	452
First child tax offset ³	426,635	247	399,705	268
Commonwealth of Australia benefits & allowances tax offset ⁴	322,262	148	303,827	142
Averaging	103,728	148	96,232	126
Life assurance (insurance) bonus	2,916	3	2,580	3
<i>Total</i> ⁶	<i>4,680,005</i>	<i>4,240</i>	<i>5,190,898</i>	<i>4,892</i>
Selected credits claimed				
Foreign tax credits	685,078	136	733,148	160
Section 100(2) ⁵	2,852	9	3,013	10
<i>Total</i> ⁶	<i>607,889</i>	<i>145</i>	<i>661,161</i>	<i>170</i>
Total⁷	7,489,187	11,550	7,723,712	13,581

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Sum of primary franking credits (item 11, label U on the individual return) and partnership and trust share of franking credits from franked dividends (item 12, label Q on the individual return).

3 The number of taxpayers who claimed the first child tax offset reported includes taxpayers who may not have lodged an individual tax return but lodged only the first child tax offset claim form.

4 Also referred to as 'Beneficiary tax offset'.

5 The total share of credits for tax paid by a trustee.

6 Components do not add to the total number of taxpayers claiming tax offsets or credits as taxpayers may claim more than one type of tax offset or credit. Totals may differ slightly from the sum of components due to rounding.

7 The total number here refers to the number of taxpayers assessed by the Tax Office to be entitled to certain tax offsets and credits. The total amount is calculated by the Tax Office during tax return assessment and includes amounts allowed by the Tax Office (which may differ from amounts claimed by taxpayers). The total amount may also include certain types of tax offsets or credits not included in the table (for example, other tax offsets calculated by the Tax Office) or exclude amounts listed above. Therefore, it will not necessarily agree with the sum of component items in the table.

MEDICARE

The Medicare levy is used to partially fund Medicare, the scheme that gives Australian residents access to health care. Most individuals who are residents of Australia at any time during the income year are liable to pay a Medicare levy based on their taxable income for the year. The Medicare levy is calculated at 1.5% of an individual's taxable income, but this calculation may vary in certain circumstances.

Individuals and families who have adjusted taxable incomes above certain thresholds and who do not have adequate private hospital cover pay an extra 1% of their taxable income for the Medicare levy surcharge. This is in addition to the normal 1.5% Medicare levy.

Table 2.12: Medicare levy and Medicare levy surcharge, 2003–04 and 2004–05 income years

	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Medicare levy	7,385,585	5,259	7,620,386	5,689
Medicare levy surcharge	282,675	173	374,040	228

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

PERSONAL NET TAX

Box 2.1: Calculating net tax for individuals

Net tax in this chapter refers to the net tax individuals are liable to pay before applying any refunds.	
Individual net tax for 2004–05 is calculated as:	
	Total income
less	Total deductions
less	Primary production and non-primary production prior year losses
<i>gives</i>	<i>Taxable income or loss</i>
apply	Marginal tax rates
add	Complementary tax ¹
<i>gives</i>	<i>Gross tax</i>
subtract	Total tax offsets and credits
add	Medicare levy
add	Medicare levy surcharge
<i>gives</i>	Net tax
<p><small>1 The amount of tax added to ordinary tax when a primary producer's average income exceeds taxable income. (Total tax offsets and credits do not include the 30% private health insurance rebate, imputation credits, share of imputation credits from franked dividends, the first child tax offset (baby bonus) and the section 100(2) credit.) This part of the calculation cannot result in an amount of less than \$0.</small></p>	

In the 2004–05 income year, a total of 9.1 million taxpayers (both Australian residents and non-residents for tax purposes) were liable for \$103.6 billion in net tax, with an average net tax payable of \$11,387. Residents were liable for \$103.4 billion or 99.8% of the net tax payable, while non-residents were liable for \$227.0 million. The tax-free threshold for Australian residents remained at \$6,000 in 2004–05. It is apportioned in accordance with the date during the year when a taxpayer ceases full-time education or ceases to be a resident.

Box 2.2: Personal income tax rates for residents, 2004–05 income year

Taxable income	Tax payable
\$0–\$6,000	0% or \$0
\$6,001–\$21,600	Nil plus 17 cents for each \$1 over \$6,000
\$21,601–\$58,000	\$2,652 plus 30 cents for each \$1 over \$21,600
\$58,001–\$70,000	\$13,572 plus 42 cents for each \$1 over \$58,000
\$70,001 or more	\$18,612 plus 47 cents for each \$1 over \$70,000

Table 2.13: Resident individuals' net tax payable, by taxable income, 2004–05 income year

Taxable income	Taxpayers ¹		Net tax payable	
	No.	%	\$m	%
\$0–\$6,000	12,209	0.1	5	0.0
\$6,001–\$21,600	1,955,040	21.6	2,540	2.5
\$21,601–\$58,000	5,240,352	57.8	39,983	38.7
\$58,000–\$70,000	755,758	8.3	12,463	12.1
\$70,000 or more	1,100,266	12.1	48,390	46.8
Total²	9,063,625	100	103,381	100

1 Taxpayer population includes only taxable resident individuals, that is, those with net tax payable of more than \$0.
2 Totals may differ slightly from the sum of components due to rounding.

Box 2.3: Personal income tax rates for non-residents, 2004–05 income year

Taxable income	Tax payable
\$0–\$21,600	29 cents for each \$1
\$21,601–\$63,000	\$6,264 plus 30 cents for each \$1 over \$21,600
\$63,001–\$95,000	\$18,684 plus 42 cents for each \$1 over \$63,000
\$95,001 or more	\$31,124 plus 47 cents for each \$1 over \$95,000

Table 2.14: Non-resident individuals' net tax payable, by taxable income, 2004–05 income year

Taxable income	Taxpayers ¹		Net tax payable	
	No.	%	\$m	%
\$0–\$21,600	28,771	81.2	52	22.9
\$21,601–\$63,000	4,896	13.8	52	22.7
\$63,001–\$95,000	785	2.2	19	8.3
\$95,000 or more	1,002	2.8	105	46.1
Total²	35,454	100	227	100

1 Taxpayer population includes only taxable non-resident individuals, that is, those with net tax payable of more than \$0.
2 Totals may differ slightly from the sum of components due to rounding.

HIGHER EDUCATION CONTRIBUTION SCHEME (HECS) AND STUDENT FINANCIAL SUPPLEMENT SCHEME (SFSS)

Australian students have a choice of payment methods for each semester's university fees:

- full payment upfront to the institution, or
- a deferred repayment to the Australian Government through the tax system.

If repaying through the tax system, students are not liable to repay amounts until their income reaches a minimum level. For the 2004–05 income year, the minimum level was \$35,001, whereas in 2003–04 the minimum level was \$25,348. This increase in the minimum level explains the 27.4% decrease in the number of individuals with a HECS assessment debt for 2004–05. There was a corresponding drop of only 3.6% in the amount of HECS assessment debt because the repayment rates that apply were increased for 2004–05.

The HECS repayment income is a person's taxable income, plus any amount of taxable income that has been reduced by a net rental loss, plus total reportable fringe benefits amounts.

SOURCE OF PERSONAL TAX STATISTICS

The statistics in this chapter are sourced from 2005 and 2004 individual income tax returns processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken when comparing the statistics for the current year and previous years.

Statistics reported in the detailed tables have been updated for the 2002–03 and 2003–04 income years to include returns processed by 31 October 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the individual return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

Table 2.15: HECS and SFSS debt payable, 2003–04 and 2004–05 income years

Debt	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
HECS assessment debt	344,257	655	250,084	632
SFSS debt (or SLS assessment debt)	39,213	53	39,934	57

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

From 1 January 2005 there is a new suite of loans known as the Higher Education Loan Programme (HELP), which replaces the existing four schemes offered under the *Higher Education Funding Act 1988*.

HELP offers Australian Government loans to students to help them pay higher education fees and to study overseas. If the Australian Government lends money to a student under any of the new schemes, the student will have a HELP debt. On 1 June 2006 accumulated HECS debts become accumulated HELP debts.

LIST OF PERSONAL TAX DETAILED TABLES

The following personal tax detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

The items referred to in the detailed tables are items declared on the 2005 individual tax return. A copy of the return is in the appendix.

To find out whether a particular item is included in a detailed table, refer to the personal tax detailed tables index included on the attached CD-ROM and in the online version of this publication. The table index lists the different items shown in the detailed tables and specifies which table they appear in.

Table 1: Selected items, by sex and state/territory of residence, 2004–05 income year

This table shows the number of taxable, non-taxable, male, female and all personal taxpayers for each state and territory. It also shows the total income, taxable income, net tax, average taxable income, average net tax, total deductions claimed, total business expenses claimed, HECS assessment debts, SLS assessment debts, Medicare levy and Medicare levy surcharge of male, female and all taxpayers for each state and territory.

Table 2: Selected items, by state/territory/region, 2004–05 income year

This table shows the number of records and amounts for selected income, deductions, tax offsets and other return items of personal taxpayers living in specified regions within different states and territories (for example, major urban, other urban, regional–high urbanisation, regional–low urbanisation, rural and other regions in New South Wales). A region is composed of postcodes grouped together according to specified population ranges.

- **Part A: Taxable individuals** – reports data for taxable individuals only, that is, personal taxpayers with net tax of more than \$0.
- **Part B: Non-taxable individuals** – reports data for non-taxable individuals only, that is, personal taxpayers with net tax less than or equal to \$0.
- **Part C: All individuals** – reports data for all personal taxpayers.

Table 3: Selected items, by state/territory and postcode, for taxable individuals, 2004–05 income year

This table shows the number of records and amounts for selected income, deductions, tax offsets and other return items of taxable personal taxpayers living in different postcodes (residential postcodes declared by taxpayers on their returns) for each state and territory. In addition, the number of non-taxable individuals residing in different postcodes is shown. The data for each state and territory is presented in separate parts:

- **Part A: New South Wales** – includes data on taxpayers living in residential postcodes in New South Wales.
- **Part B: Victoria** – includes data on taxpayers living in residential postcodes in Victoria.
- **Part C: Queensland** – includes data on taxpayers living in residential postcodes in Queensland.
- **Part D: South Australia** – includes data on taxpayers living in residential postcodes in South Australia.
- **Part E: Western Australia** – includes data on taxpayers living in residential postcodes in Western Australia.
- **Part F: Tasmania** – includes data on taxpayers living in residential postcodes in Tasmania.
- **Part G: Northern Territory** – includes data on taxpayers living in residential postcodes in the Northern Territory.
- **Part H: Australian Capital Territory, other taxpayers and total taxpayers** – includes data on taxpayers living in residential postcodes in the Australian Capital Territory. Also includes data on taxpayers who are living overseas, taxpayers who did not state their residential postcode on their return, taxpayers living in other grouped postcodes and total taxpayers.

Table 4: Selected items, by fine industry, 2004–05 income year

This table shows the number of records and amounts for selected items from personal taxpayer returns. Taxpayers and the data are classified into fine industry groupings (determined by the taxpayer's main source of income) based on the ANZSIC 1993 codes.

- **Part A: Tax Office calculated and miscellaneous items** – contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- **Part B: Income, credits, selected deductible, withheld and adjustment items** – contains taxpayer claimed income items, selected deductible and withheld items (items 1–22 on pages 2, 6–8), adjustment items (A1 on page 4), selected credit items including Tax Office calculated items such as 'ETP–5% assessable', 'Other salary and wages category 1' and 'Other salary and wages category 2'.
- **Part C: Deduction and tax loss items** – contains taxpayer claimed deductions (items D1–D15 on pages 3 and 8) and tax loss items including tax losses of earlier years claimed (item L1 on page 3).
- **Part D: Tax offset items** – contains tax offsets claimed by taxpayers on their return (items T1–T10 on pages 3 and 8) and other tax offsets calculated by the Tax Office on behalf of taxpayers, such as the averaging tax offset, life assurance bonus tax offset and others.
- **Part E: Business and professional items** – contains items from the business and professional items section of the return (pages 9–11).

❗ In order to meet privacy regulations, statistics for some items are not reported by fine industries in the different parts of this table. Statistics on items showing a low number of records are reported in table 10 ('Selected items, by broad industry').

Table 5: Selected items, by taxable income, 2004–05 income year

This table shows the number of records and amounts for items taxpayers declare on their personal tax return and items calculated by the Tax Office based on information provided on the return. Taxpayers and the data are classified by taxable status (non-taxable and taxable) and are ranged by taxable income.

- **Part A: Tax Office calculated and miscellaneous items** – contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- **Part B: Income, credits, selected deductible, withheld and adjustment items** – contains taxpayer claimed income items, selected deductible and withheld items (items 1–22 on pages 2, 6–8), adjustment items (A1 on page 4 and A3–A4 on page 8), selected credit items including 'Credit for interest on early payments' (item C1 on page 8) and other Tax Office calculated items such as 'ETP–5% assessable', 'Other salary and wages category 1' and 'Other salary and wages category 2'.
- **Part C: Deduction and tax loss items** – contains taxpayer claimed deductions (items D1–D15 on pages 3 and 8) and tax loss items, including tax losses of earlier years claimed (item L1 on page 3).
- **Part D: Tax offset items** – contains tax offsets claimed by taxpayers on their return (items T1–T10 on pages 3 and 8) and other tax offsets calculated by the Tax Office on behalf of taxpayers, such as the averaging tax offset, life assurance bonus tax offset and others.
- **Part E: Business and professional items** – contains items from the business and professional items section of the return (pages 9–11).

Table 6: Number of individuals, by broad industry and state/territory/region, 2004–05 income year

This table shows the number of personal taxpayers classified by broad industry in specified regions in different states and territories (for example, major urban, other urban, regional–high urbanisation, regional–low urbanisation, rural and other regions in New South Wales). A region is composed of postcodes grouped together according to specified population ranges. The broad industry groups used to classify personal taxpayers are based on the ANZSIC 1993 codes.

Table 7: Selected items for income years 1995–96 to 2004–05

This table shows the number of records and amounts for selected items from the individual tax return (including items calculated by the Tax Office) for all income years between 1995–96 and 2004–05.

Table 8: Non-resident individuals: selected items, by taxable income, 2004–05 income year

This table shows the number of records and amounts for selected items from the individual tax return of non-resident taxpayers only. For this table, taxpayers and the data are ranged by taxable income.

Table 9: One percentile distribution, by taxable income, 2004–05 income year

This table shows a distribution of taxable income, total income, net tax and number of taxpayers. Taxable income is distributed across 100 quantiles, with each quantile containing 1% of the total number of taxpayers. The table shows the number of male and female taxpayers, and the amount and proportion of total income, taxable income and net tax for each quantile.

Table 10: Selected items, by broad industry, 2004–05 income year

This table shows the number of records and amounts for selected items that are not included in personal tax detailed table 4 ('Selected items, by fine industry'). Taxpayers and the data are classified into broad industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC 1993 codes.

Table 11: Selected items, by age, sex, taxable status and taxable income, 2004–05 income year

This table shows the number of male, female and total personal taxpayers classified into different age brackets (from 'under 18' to '75 years and over') and ranged by taxable income. The pension income, net tax, taxable income and total income of male, female and total taxpayers in the different age brackets and taxable income ranges are also shown.

Table 12: Selected items, by sex, marital status, state/territory and taxable income, 2004–05 income year


This table shows the number of single and married male, female and total personal taxpayers, classified by state or territory and ranged by taxable income. The taxable income, total income and net tax of male, female and total taxpayers in the different states, territories and taxable income ranges are also shown.

Table 13: Salary and wages and total work-related expenses, by occupation code, 2004–05 income year

This table shows the number of records and the amount of total work-related expenses and the amount of salary and wages plus allowances, classified by salary and wage occupation codes. The occupation classifications are based on information provided on the individual tax return.

Table 14: Selected items, by total income, 2004–05 income year

This table shows the number of records and amounts for items taxpayers declare on their personal tax return and items calculated by the Tax Office based on information provided on the return. Taxpayers and the data are ranged by total income.

 Page numbers refer to the 2005 individual income tax return form used by tax agents on behalf of their clients. A copy of this form is in the appendix.

- **Part A: Tax Office calculated and miscellaneous items** – contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- **Part B: Income, credits, selected deductible, withheld and adjustment items** – contains taxpayer claimed income items, selected deductible and withheld items (items 1–22 on pages 2, 6–8), adjustment items (A1 on page 4 and A3–A4 on page 8), selected credit items, including ‘Credit for interest on early payments’ (item C1 on page 8) and other Tax Office calculated items such as ‘ETP–5% assessable’, ‘Other salary and wages category 1’ and ‘Other salary and wages category 2’.
- **Part C: Deduction and tax loss items** – contains taxpayer claimed deductions (items D1–D15 on pages 3 and 8) and tax loss items, including tax losses of earlier years claimed (item L1 on page 3).
- **Part D: Tax offset items** – contains tax offsets claimed by taxpayers on their return (items T1–T10 on pages 3 and 8) and other tax offsets calculated by the Tax Office on behalf of taxpayers, such as the averaging tax offset, life assurance bonus tax offset and others.
- **Part E: Business and professional items** – contains items from the business and professional items section of the return (pages 9–11).

Table 15: Taxpayers with business income, selected items, by total business income, 2004–05 income year

This table shows the number of records and amounts for items taxpayers declare on their personal tax return and items calculated by the Tax Office, based on information provided on the return. Taxpayers and the data are ranged by total business income.

The statistics in the table refer only to taxpayers who had business income or loss. These are taxpayers who declared primary or non-primary production business income or loss at the following items on the business and professional items schedule: gross payments where ABN not quoted, gross payments – voluntary agreement, gross payments – labour hire or other specified payments, assessable government industry payments and/or other business income.

- **Part A: Tax Office calculated and miscellaneous items** – contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- **Part B: Income, credits, selected deductible, withheld and adjustment items** – contains taxpayer claimed income items, selected deductible and withheld items (items 1–22 on pages 2, 6–8), adjustment items (A1 on page 4 and A3–A4 on page 8), selected credit items, including ‘Credit for interest on early payments’ (item C1 on page 8) and other Tax Office calculated items such as ‘ETP–5% assessable’, ‘Other salary and wages category 1’ and ‘Other salary and wages category 2’.
- **Part C: Deduction and tax loss items** – contains taxpayer claimed deductions (items D1–D15 on pages 3 and 8) and tax loss items, including tax losses of earlier years claimed (item L1 on page 3).
- **Part D: Tax offset items** – contains tax offsets claimed by taxpayers on their return (items T1–T10 on pages 3 and 8) and other tax offsets calculated by the Tax Office on behalf of taxpayers, such as the averaging tax offset, life assurance bonus tax offset and others.
- **Part E: Business and professional items** – contains items from the business and professional items section of the return (pages 9–11).

OVERVIEW

For the 2004–05 income year:

- 707,455 companies lodged returns, a 3.4% increase from 2003–04
- companies reported total income of \$1,638.8 billion, a 7.3% increase from 2003–04
- total company expenses were \$1,486.8 billion, a 5.8% increase from 2003–04
- companies were liable for \$40.5 billion in net tax, a 16.2% increase from 2003–04.

For the 2005–06 financial year:

- petroleum resource rent tax totalled \$2.0 billion.

INTRODUCTION

This chapter provides information on companies as reported on their company income tax returns. For tax purposes, companies include all incorporated and unincorporated, bodies or associations, excluding partnerships and non-entity joint ventures. Limited partnerships, some corporate unit trusts and public trading trusts are also treated as companies.

Generally, every resident company that derives assessable income, from all sources, and every non-resident company that derives assessable income from Australian sources are required to lodge a company tax return. A resident non-profit company is not required to lodge a return if its taxable income is less than \$417. Companies pay a flat rate of tax, without a tax-free threshold. This rate was 30% for the 2004–05 income year. Companies generally pay their tax under the pay as you go (PAYG) system, either as a lump sum or in quarterly instalments.

Under the consolidation regime, corporate groups are allowed to consolidate and lodge a single return.

NEW FEATURES AND INFORMATION

The following new labels were added to the 2005 company tax return and have been included in the detailed tables:

- Gross payments subject to foreign resident withholding (item 6 income, label B)
- Foreign resident withholding expenses (item 6 expenses, label B)
- Interest to financial institution exempt from withholding under a DTA (item 8, label I)
- Credit for tax withheld – foreign resident withholding (calculated label I).

Development allowance (item 7, label K) was removed from the 2005 company income tax return but statistics for this item from previous years are still available in the company detailed tables.

COMPANY RETURNS

For the 2004–05 income year, a total of 707,455 companies lodged returns, a 3.4% increase on the number lodging for 2003–04.

Table 3.1: Companies, by taxable status, 2003–04 and 2004–05 income years

Taxable status	2003–04 ¹		2004–05 ¹	
	No.	%	No.	%
Non-taxable companies	386,864	56.6	396,628	56.1
Taxable companies ²	297,145	43.4	310,827	43.9
Total	684,009	100	707,455	100

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Taxable companies are defined as companies with net tax of more than \$0.

In 2004–05, 30.5% of total companies operated in the property and business services industry, followed by 19.4% in the finance and insurance industry. The industry with the smallest proportion of companies was the electricity, gas and water supply industry, with only 0.1%. These proportions remained consistent across 2003–04 and 2004–05.

Table 3.2: Companies¹, by industry, 2003–04 and 2004–05 income years

Industry ²	2003–04 ³		2004–05 ³	
	No.	%	No.	%
Agriculture, forestry & fishing	18,319	2.7	18,349	2.6
Mining	3,450	0.5	3,502	0.5
Manufacturing	47,018	6.9	47,395	6.7
Electricity, gas & water supply	775	0.1	744	0.1
Construction	66,615	9.7	70,020	9.9
Wholesale trade	34,702	5.1	35,816	5.1
Retail trade	55,796	8.2	57,605	8.1
Accommodation, cafes & restaurants	15,220	2.2	15,885	2.2
Transport & storage	27,296	4.0	28,422	4.0
Communication	6,189	0.9	7,288	1.0
Finance & insurance	131,041	19.2	137,102	19.4
Property & business services	209,075	30.6	215,734	30.5
Education	4,834	0.7	5,196	0.7
Health & community services	24,403	3.6	25,354	3.6
Cultural & recreational services	12,625	1.8	12,867	1.8
Personal & other services	17,176	2.5	17,442	2.5
Other ⁴	9,475	1.4	8,734	1.2
Total⁵	684,009	100	707,455	100

1 Includes all companies that lodged returns (taxable and non-taxable).

2 The industry groups are based on the Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993 codes.

3 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes companies lodging under the 'Nil company returns' code, which includes non-taxable companies or companies with nil company returns – no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

5 Totals may differ slightly from the sum of components due to rounding.

Box 3.1: Company size, by total income

For the purposes of this chapter:

Total income is the amount a company declared at item 6, label S, on page 2 of the 2005 company tax return.

Loss/nil companies have a total income equal to or less than \$0.

Micro companies have a total income equal to or more than \$1 but less than \$2 million.

Small companies have a total income equal to or more than \$2 million but less than \$10 million.

Medium companies have a total income between \$10 million and \$100 million (inclusive).

Large companies have a total income of more than \$100 million.

In terms of company size, 79.6% of companies were classified as micro companies in 2004–05, while large companies accounted for 0.2% of the total number of companies. These proportions remained consistent across 2003–04 and 2004–05.

Table 3.3: Companies¹, by company size, 2003–04 and 2004–05 income years

Company size	2003–04 ²		2004–05 ²	
	No.	%	No.	%
Loss/nil	89,325	13.1	91,189	12.9
Micro	544,152	79.6	562,910	79.6
Small	39,035	5.7	41,618	5.9
Medium	10,009	1.5	10,265	1.5
Large	1,488	0.2	1,473	0.2
Total³	684,009	100	707,455	100

1 Includes all companies that lodged returns (taxable and non-taxable).

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Totals may differ slightly from the sum of components due to rounding.

CONSOLIDATED COMPANIES

Consolidation allows eligible wholly owned corporate groups to operate as a single entity for income tax purposes from 1 July 2002. The Australian Government introduced consolidation to reduce compliance costs for business, remove impediments to the most efficient business structures, and improve the integrity of the tax system.

For the large segment in the 2004–05 income year, there were 876 head companies and 15,482 subsidiary companies. This represents 40.1% of all consolidated companies.

In 2004–05 there were approximately 17.7 subsidiary companies to every head company in the large segment.

Table 3.4: Head and subsidiary companies, by market segment, 2002–03 to 2004–05 income years

Segment	2002–03 ¹		2003–04 ¹		2004–05 ¹	
	Head companies No.	Subsidiary companies No.	Head companies No.	Subsidiary companies No.	Head companies No.	Subsidiary companies No.
Loss/nil	112	826	437	3,011	540	3,738
Micro	355	710	1,304	2,677	1,609	3,332
Small	263	724	1,059	3,097	1,265	3,668
Medium	278	1,276	1,218	6,236	1,577	7,887
Large	180	5,201	655	12,264	876	15,482
Total	1,188	8,737	4,673	27,285	5,867	34,107

¹ The effective income year applies a calendar year to the date of consolidation, along with the SAP code, in making a determination.

COMPANY INCOME

For the 2004–05 income year, companies reported total income of \$1,638.8 billion, an increase of 7.3% from 2003–04. The health and community services industry experienced the largest growth in income, rising by 15.6%, closely followed by the finance and insurance industry at 15.1%. Total income for the electricity, gas and water supply industry declined by 39.7% over the same period.

Table 3.5: Company income, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	\$m	%	\$m	%
Agriculture, forestry & fishing	29,630	1.9	30,876	1.9
Mining	73,906	4.8	77,533	4.7
Manufacturing	239,472	15.7	246,748	15.1
Electricity, gas & water supply	10,606	0.7	6,392	0.4
Construction	75,898	5.0	80,737	4.9
Wholesale trade	226,256	14.8	246,028	15.0
Retail trade	200,668	13.1	209,487	12.8
Accommodation, cafes & restaurants	20,268	1.3	21,767	1.3
Transport & storage	63,488	4.2	68,902	4.2
Communication	43,043	2.8	45,640	2.8
Finance & insurance	361,859	23.7	416,537	25.4
Property & business services	132,317	8.7	132,196	8.1
Education	2,002	0.1	2,290	0.1
Health & community services	14,534	1.0	16,804	1.0
Cultural & recreational services	17,259	1.1	17,961	1.1
Personal & other services	11,198	0.7	12,511	0.8
Other ³	4,344	0.3	6,405	0.4
Total⁴	1,526,750	100	1,638,816	100

1 The industry groups are based on the ANZSIC 1993 codes.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Includes companies lodging under the 'Nil company returns' code, which includes non-taxable companies or companies with nil company returns – no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

4 Totals may differ slightly from the sum of components due to rounding.

For 2004–05 approximately 72.1% of company income was derived from sales of goods and services, followed by other gross income at 15.7% of total income. The largest growth in company income from any one source was from assessable government industry payments, with 27.5% growth for 2004–05.

Table 3.6: Company income, by source, 2003–04 and 2004–05 income years

Source of income	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Sales of goods & services	260,558	1,092,880	265,149	1,180,933
Other gross income	295,862	249,429	306,005	257,747
Gross interest	335,576	117,512	355,852	127,537
Gross rent/leasing/hiring	65,755	24,262	66,106	25,454
Gross dividends	61,464	20,555	60,837	20,996
Gross distribution from trusts	61,085	17,438	65,868	20,639
Gross distribution from partnerships	12,266	2,591	12,099	2,945
Assessable government industry payments	22,033	1,490	24,189	1,900
Fringe benefit employee contributions	58,365	355	60,876	366
Gross payments where ABN not quoted	330	239	345	207
Total²	596,305	1,526,750	617,929	1,638,816

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Components do not add to the number of companies as companies may declare more than one type of income. Totals may differ slightly from the sum of components due to rounding.

COMPANY EXPENSES

For the 2004–05 income year, company expenses totalled \$1,486.8 billion. The largest increase in expenses claimed was in the finance and insurance industry, where companies claimed an additional \$26.1 billion, an 8.2% increase.

Table 3.7: Company expenses, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	\$m	%	\$m	%
Agriculture, forestry & fishing	28,373	2.0	29,068	2.0
Mining	61,541	4.4	62,095	4.2
Manufacturing	224,415	16.0	231,813	15.6
Electricity, gas & water supply	8,009	0.6	5,692	0.4
Construction	72,307	5.1	76,855	5.2
Wholesale trade	217,055	15.4	234,897	15.8
Retail trade	192,472	13.7	202,133	13.6
Accommodation, cafes & restaurants	19,052	1.4	20,960	1.4
Transport & storage	60,456	4.3	65,502	4.4
Communication	37,086	2.6	39,980	2.7
Finance & insurance	319,327	22.7	345,429	23.2
Property & business services	120,094	8.5	120,978	8.1
Education	1,851	0.1	2,145	0.1
Health & community services	13,690	1.0	15,789	1.1
Culture & recreational services	16,032	1.1	16,612	1.1
Personal & other services	10,406	0.7	11,556	0.8
Other ³	3,605	0.3	5,296	0.4
Total⁴	1,405,770	100	1,486,800	100

1 The industry groups are based on the ANZSIC 1993 codes.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Includes companies lodging under the 'Nil company returns' code, which includes non-taxable companies or companies with nil company returns – no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

4 Totals may differ slightly from the sum of components due to rounding.

For the 2004–05 income year, 49.2% of total company expenses were related to cost of sales, followed by other expenses with 31.5%. Total company expenses increased by 5.8% in 2004–05.

Table 3.8: Company expenses, by type, 2003–04 and 2004–05 income years

Type of expense	No.	2003–04 ¹		2004–05 ¹	
		No.	\$m	No.	\$m
Cost of sales	221,901	686,063	227,819	731,412	
Other expenses	603,639	456,122	627,805	467,645	
Interest expenses – Australia	267,266	88,304	277,984	94,533	
External labour	127,438	46,673	131,223	53,816	
Depreciation	403,979	38,607	416,772	41,180	
Rent	204,429	21,708	210,437	23,559	
Interest expenses – overseas	7,493	15,137	7,849	19,365	
Employee superannuation	306,781	16,579	311,858	17,537	
Repairs & maintenance	278,095	13,164	281,156	13,469	
Motor vehicle	309,058	7,497	319,163	8,354	
Lease expenses – Australia	69,624	5,872	66,902	5,888	
Bad debts	1,357	3,219	1,426	3,638	
Royalty expenses – Australia	38,256	3,694	38,456	3,162	
Royalty expenses – overseas	5,382	2,934	5,321	2,835	
Lease expenses – overseas	1,209	197	1,317	390	
Total²	610,123	1,405,770	634,232	1,486,800	

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Components do not add to the number of companies as companies may claim more than one type of expense. Totals may differ slightly from the sum of components due to rounding.

COMPANY NET TAX

The method used for calculating company net tax has changed from the previous edition of *Taxation Statistics*. The definition of net tax is used to categorise companies as being taxable or non-taxable. A taxable company is one where net tax is more than \$0. Non-taxable companies are defined as companies with net tax less than or equal to \$0.

Box 3.2: Calculating net tax for companies

Company net tax is calculated as:	
	Total income (item 6 income, label S)
less	Total expenses (item 6 expenses, label Q)
equals	Operating profit or loss (item 6, label T)
add or subtract	Extraordinary items and reconciliation items ¹
<i>gives</i>	<i>Taxable income or loss (calculation label A)</i>
apply	Relevant tax rate ²
<i>gives</i>	<i>Gross tax (calculation label B)</i>
subtract	Rebates/tax offsets, foreign tax credits, franking deficit tax offset (calculation labels C–E)
<i>gives</i>	<i>Tax payable³</i>
subtract	Other refundable credits (calculation label Z)
<i>gives</i>	<i>Net tax</i>
<p>1 Adjustments made for items where the tax treatment differs from the company's accounting treatment.</p> <p>2 The general company rate is 30%, but other rates may apply to life insurance companies, retirement savings account providers, pooled development funds and non-profit organisations.</p> <p>3 Located below calculation label G on the company income tax return form.</p>	

Companies were liable for \$40.5 billion in net tax for the 2004–05 income year, a 16.2% increase from 2003–04. Large companies accounted for less than 1.0% of the total number of companies, but were liable for 62.2% of total company net tax. Large companies also accounted for 80.5% of the increase in net tax in 2004–05, whereas micro companies accounted for only 7.7% of the increase.

Table 3.9: Company net tax¹, by company size, 2003–04 and 2004–05 income years

Company size	2003–04 ²		2004–05 ²	
	No.	\$m	No.	\$m
Loss/nil	419	59	397	119
Micro	260,559	5,238	272,086	5,672
Small	27,790	3,830	29,524	4,136
Medium	7,306	5,062	7,698	5,364
Large	1,071	20,660	1,122	25,192
Total³	297,145	34,850	310,827	40,483

1 Taxable companies are defined as companies with net tax of more than \$0.
2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.
3 Totals may differ slightly from the sum of components due to rounding.

In 2004–05 public companies accounted for \$25.1 billion, which was 62.0% of net tax, but represented only 1.1% of total taxable companies. Private companies accounted for \$15.1 billion or 37.4% of total net tax, but represented 89.0% of total taxable companies.

Table 3.10: Company net tax, by company type, 2004–05 income year

Company type	Taxable companies		Average net tax ¹	
	No.	Net tax \$m	No.	\$
Public company	3,516	25,104		7,139,806
Private company	276,504	15,144		54,770
Limited partnership	404	85		210,005
Cooperative	1,008	71		70,587
Public trading trust	92	40		437,211
Corporate unit trust	40	15		376,763
Strata title	28,638	10		366
Pooled development fund	13	7		554,438
Non-profit company	604	6		9,901
Other	8	<1		7,993
Total²	310,827	40,483		130,242

1 Average net tax figures are derived from actual (not rounded) net tax figures and taxable company numbers.

2 Totals may differ slightly from the sum of components due to rounding.

Less than 0.9% of taxable companies were each liable for \$1.0 million or more in net tax in 2004–05, but in aggregate they were liable for 72.5% of total company net tax.

Table 3.11: Taxable companies, by net tax, 2004–05 income year

Net tax	Taxable companies		Net tax	
	No.	%	\$m	%
\$1–\$9,999	169,002	54.4	477	1.2
\$10,000–\$49,999	88,734	28.5	2,096	5.2
\$50,000–\$99,999	23,589	7.6	1,658	4.1
\$100,000–\$499,999	23,817	7.7	4,835	11.9
\$500,000–\$999,999	2,968	1.0	2,051	5.1
\$1,000,000 or more	2,717	0.9	29,367	72.5
Total¹	310,827	100	40,483	100

1 Totals may differ slightly from the sum of components due to rounding.

Box 3.3: Non-taxable companies

In general, non-taxable companies are companies with net tax less than or equal to \$0.

They include:

- companies trading at a loss, which can be due to poor trading performance (such as poor sales or cost control performance) or to the nature of a company's activities, and
- companies whose trading profits are offset by reconciliation. Profits, based on a company's trading activities, are offset by adjustments made by reconciliation items such as deductions for decline in value of depreciating assets, capital works deductions and other deductible expenses. (See the 2005 company tax return for a list of possible reconciliation items.)

The number of non-taxable companies increased by 2.5% in 2004–05. This growth was largely due to a 4.6% growth in the number of companies trading at a loss.

Table 3.12: Non-taxable companies¹, 2003–04 and 2004–05 income years

Non-taxable companies	2003–04 ²		2004–05 ²	
	No.	%	No.	%
Trading at a loss	224,879	58.1	235,204	59.3
Zero profit, nil total income	51,613	13.3	51,510	13.0
Zero profit with total income	17,949	4.6	18,162	4.6
Trading profit offset by reconciliation	82,947	21.4	82,122	20.7
Trading profit offset by other credits	9,476	2.4	9,630	2.4
Total	386,864	100	396,628	100

1 Non-taxable companies are defined as companies with net tax less than or equal to \$0.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

Among non-taxable companies whose industry was stated, the property and business services industry accounted for 29.7% of the total number of non-taxable companies in 2004–05.

Table 3.13: Non-taxable companies¹, by industry, 2003–04 and 2004–05 income years

Industry ²	2003–04 ³		2004–05 ³	
	Non-taxable No.	Total companies %	Non-taxable No.	Total companies %
Agriculture, forestry & fishing	11,286	61.6	11,272	61.4
Mining	2,383	69.1	2,341	66.8
Manufacturing	26,016	55.3	26,196	55.3
Electricity, gas & water supply	500	64.5	451	60.6
Construction	36,726	55.1	38,991	55.7
Wholesale trade	18,637	53.7	19,598	54.7
Retail trade	32,570	58.4	34,232	59.4
Accommodation, cafes & restaurants	9,987	65.6	10,491	66.0
Transport & storage	16,281	59.6	16,964	59.7
Communication	4,005	64.7	4,746	65.1
Finance & insurance	67,949	51.9	69,083	50.4
Property & business services	116,036	55.5	117,899	54.7
Education	3,038	62.8	3,243	62.4
Health & community services	14,114	57.8	14,191	56.0
Cultural & recreational services	8,337	66.0	8,486	66.0
Personal & other services	10,333	60.2	10,450	59.9
Other ⁴	8,666	91.5	7,994	91.5
Total	386,864	56.6	396,628	56.1

1 Non-taxable companies are defined as companies with net tax less than or equal to \$0.

2 The industry groups are based on the ANZSIC 1993 codes.

3 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes companies lodging under the 'Nil company returns' code, which includes non-taxable companies or companies with nil company returns – no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

PETROLEUM RESOURCE RENT TAX

Petroleum resource rent tax (PRRT) is imposed by the *Petroleum Resource Rent Tax Act 1987* on all offshore petroleum projects, except certain North-West Shelf projects and projects in the Joint Petroleum Development Area in the Timor Sea. It was introduced as a more economically efficient replacement of Australian Government royalties for these projects.

Like royalties, PRRT payments are allowable deductions when calculating income tax. The tax is calculated at 40% of 'excess' profit (a tax on economic rent of the petroleum resource), which is the excess of assessable receipts over deductible expenditure and eligible transferred exploration expenditure.

The tax is paid to the Tax Office quarterly, with the first three payments made in October, January and April. Companies submit their PRRT returns in August and a final payment, or refund, is made after the Commissioner of Taxation issues a notice of assessment.

In the 2005–06 financial year, PRRT totalled \$2.0 billion. The 32.6% increase in collections from 2004–05 was due to increased world crude oil prices.

SOURCE OF COMPANY AND PRRT STATISTICS

The company statistics in this chapter are sourced from 2005 and 2004 company income tax returns processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken when comparing the statistics for the current year and previous years.

The PRRT statistics were sourced from PRRT instalment statements and the PRRT returns for the 2006 and 2005 financial years. These statements were processed by 31 October 2006 and 31 October 2005 respectively.

Statistics in the detailed tables have been updated for the 2002–03 and 2003–04 income years to include returns processed by 31 October 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the company return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

Table 3.14: Petroleum resource rent tax, 2004–05 and 2005–06 financial years

	2004–05 ¹	2005–06 ¹
PRRT	No.	No.
Number of taxpayers	34	47
	\$m	\$m
Assessable receipts	5,877	8,155
Expenditure – Class 2 General ²	2,221	3,279
Expenditure – Class 2 Exploration ³	221	374
Expenditure – Other	869	1,516
<i>Expenditure – total⁶</i>	<i>3,312</i>	<i>5,168</i>
Transferred expenditure – section 45a ⁴	290	485
Transferred expenditure – section 45b ⁵	196	89
<i>Transferred expenditure – total⁶</i>	<i>485</i>	<i>573</i>
Taxable profit	3,765	4,991
Carry forward expenditure	1,684	2,578
Total PRRT paid on taxable profit⁶	1,506	1,997

1 Data for 2004–05 and 2005–06 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 General project operating expenditure (drilling plant and equipment, pipelines, wage costs) incurred on or after 1 July 1990.

3 Project exploration expenditure (exploration and appraisal drilling) incurred on or after 1 July 1990.

4 Exploration expenditure incurred on or after 1 July 1990 transferred from other petroleum projects of a taxpayer.

5 Exploration expenditure incurred on or after 1 July 1990 transferred from other petroleum projects within a wholly owned group of companies.

6 Totals may differ slightly from the sum of components due to rounding.

LIST OF COMPANY DETAILED TABLES

The following detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

To find out whether a particular item is included in a detailed table, refer to the company detailed table index included on the attached CD-ROM and in the online version of this publication. The index lists the different items shown in the detailed tables and specifies which table they appear in.

Table 1: Selected items, by net tax and company type, 2004–05 income year

This table shows the number of records and amounts for selected items such as total income, taxable income, total credits/rebates, total refundable credits, net tax and net capital gains for public, private, other and total companies, ranged by net tax.

Table 2: Selected items, by taxable income, taxable status, residential status and company type, 2004–05 income year

This table shows the number of records and amounts for items from the company tax return for taxable and non-taxable companies that are classified by different types (resident, non-resident, public, private and other), ranged by taxable income.

- **Part A: Income items** – contains income labels from item 6 ‘Calculation of total profit or loss’ on page 2 of the company return.
- **Part B: Expense items** – contains expense labels and operating profit/loss labels from item 6 ‘Calculation of total profit or loss’ on page 2 of the company return.
- **Part C: Reconciliation to taxable income or loss items** – contains reconciliation labels from item 7 ‘Reconciliation to taxable income or loss’ on page 2 of the company return.
- **Part D: Financial and other information items excluding non-membership period returns** – contains labels from item 8 ‘Financial and other information’ on page 3 of the company return.
- **Part E: Calculation statement items** – contains labels from item 9 ‘STS depreciating assets’ and item 10 ‘Losses information’ on page 3, and tax offset label item 16 ‘Landcare and water facility offset’ and the ‘Calculation statement’ on page 4 of the company return.


 In order to meet privacy regulations, statistics for some items may not be included in these tables.

Table 3: Selected items, by company size and balance date, 2004–05 income year

This table shows selected items from the company tax return, by company size, for companies that have an income year similar to the Australian financial year (June balancers), and companies that use a substituted accounting period.

Table 4: Selected items, by fine industry, 2004–05 income year

This table shows the number of records and amounts for items from the company tax return for companies classified by fine industry groupings (determined by the main source of income) based on the ANZSIC 1993 codes.

- **Part A: Income items** – contains income labels from item 6 ‘Calculation of total profit or loss’ on page 2 of the company return.
- **Part B: Expense items** – contains expense labels and operating profit/loss labels from item 6 ‘Calculation of total profit or loss’ on page 2 of the company return.
- **Part C: Reconciliation to taxable income or loss items** – contains reconciliation labels from item 7 ‘Reconciliation to taxable income or loss’ on page 2 of the company return.
- **Part D: Financial and other information items excluding non-membership period returns** – contains labels from item 8 ‘Financial and other information’ on page 3 of the company return.
- **Part E: Calculation statement items** – contains labels from item 9 ‘STS depreciating assets’ and item 10 ‘Losses information’ on page 3, and tax offset label item 16 ‘Landcare and water facility tax offset’ and the ‘Calculation statement’ on page 4 of the company return.

ⓘ In order to meet privacy regulations, statistics for some items may not be included in these tables.

Table 5: Selected items and financial ratios for medium to large companies, by broad industry, 2004–05 income year

This table reports amounts for selected items from the company tax return and financial ratios calculated from these items for companies with total income equal to or more than \$10 million. The financial ratios in this table include return on assets, net profit margin, gearing, interest cover and tax to profit ratios. This table also includes selected items from non-membership period returns.

- **Part A: Taxable and profitable companies** – includes amounts for selected items and ratios calculated for companies with:
 - total income more than or equal to \$10 million
 - net tax or tax payable of more than \$0, and
 - operating profit or loss of more than \$0.
- **Part B: Taxable and non-profitable companies** – includes amounts for selected items and ratios calculated for companies with:
 - total income more than or equal to \$10 million
 - net tax or tax payable of more than \$0, and
 - operating profit or loss less than or equal to \$0.
- **Part C: Non-taxable and profitable companies** – includes amounts for selected items and ratios calculated for companies with:
 - total income more than or equal to \$10 million
 - net tax or tax payable equal to \$0, and
 - operating profit or loss of more than \$0.
- **Part D: Non-taxable and non-profitable companies** – includes amounts for selected items and ratios calculated for companies with:
 - total income more than or equal to \$10 million
 - net tax or tax payable equal to \$0, and
 - operating profit or loss less than or equal to \$0.

Table 6: Selected items for income years 1995–96 to 2004–05

This table shows selected items from the company tax return for income years 1995–96 to 2004–05. The number of records and amounts for most items are shown.

Table 7: Selected items, by total income, taxable status, residential status and company type, 2004–05 income year

This table presents data (number of records and amounts) on items from the company tax return for taxable and non-taxable companies, classified by different types (resident, non-resident, public, private and other) and ranged by total income.

- **Part A: Income items** – contains income labels from item 6 ‘Calculation of total profit or loss’ on page 2 of the company return.
- **Part B: Expense items** – contains expense labels and operating profit/loss labels from item 6 ‘Calculation of total profit or loss’ on page 2 of the company return.
- **Part C: Reconciliation to taxable income or loss items** – contains reconciliation labels from item 7 ‘Reconciliation to taxable income or loss’ on page 2 of the company return.
- **Part D: Financial and other information items excluding non-membership period returns** – contains labels from item 8 ‘Financial and other information’ on page 3 of the company return.
- **Part E: Calculation statement items** – contains labels from item 9 ‘STS depreciating assets’ and item 10 ‘Losses information’ on page 3, and tax offset label item 16 ‘Landcare and water facility tax offset’ and the ‘Calculation statement’ on page 4 of the company return.

ⓘ In order to meet privacy regulations, statistics for some items may not be included in these tables.

Table 8: Selected items, by broad industry and total income, 2004–05 income year

This table shows the number of companies classified under the different broad industry groupings based on the ANZSIC 1993 codes, and the total income, taxable income and net tax of these companies. The companies, total income, taxable income and net tax are also ranged by total income.

Table 9: Other selected items, by company size, 2004–05 income year

This table shows the number of records and amounts for selected items that are not included in other company tax detailed tables (see box 3.1).

ⓘ In order to meet privacy regulations, statistics for some items may not be included in this table.

Table 10: Selected financial and other information items, by company size, for non-membership period returns, 2004–05 income year

This table details selected labels from item 8 ‘Financial and other information’ on page 3 of the company tax return for subsidiary companies (non-membership period returns) that were members of a consolidated group at any time during the 2004–05 income year (see box 3.1).

ⓘ In order to meet privacy regulations, statistics for some items may not be included in this table.

OVERVIEW

For the 2004–05 income year:

- 267,977 funds lodged returns, an 8.0% increase from 2003–04
- funds reported total income of \$81.4 billion, a 22.5% increase from 2003–04
- total fund deductions were \$23.7 billion, an 18.5% increase from 2003–04
- funds were liable for \$4.8 billion in net tax, an 8.0% increase from 2003–04.

INTRODUCTION

This chapter provides information on superannuation funds as reported on their fund income tax returns. Superannuation funds hold contributions in trust and invest these contributions to provide retirement benefits for their members.

Broadly, the fund taxpayer population is divided into two categories: non-regulated funds and regulated funds. Only regulated funds (as defined under the *Superannuation Industry (Supervision) Act 1993*) qualify as complying superannuation funds for tax purposes and receive tax concessions. Regulated funds can be one of six types: self managed superannuation funds, small APRA (Australian Prudential Regulation Authority) funds, corporate or employer-sponsored funds, industry, retail or public sector funds.

Most funds with fewer than five members are self managed superannuation funds. These funds are regulated by the Tax Office. Small APRA funds are small funds (with less than five members) regulated by APRA. Corporate, industry, retail and public sector funds are superannuation funds with more than four members, and may be either public offer or non-public offer. They are generally established for the benefit of employees of a sponsoring employer. In this chapter they have been aggregated into a category called 'Large fund types'.

For more information about the superannuation system see chapter 13.

NEW FEATURES AND INFORMATION

For the 2004–05 income year, there were no significant return form changes that affected the statistics reported in this chapter.

FUND RETURNS

For the 2004–05 income year, 267,977 funds lodged returns in Australia, an 8.0% increase from 2003–04. Self managed superannuation funds were the most common type of fund, accounting for 96.7% of total funds. Self managed funds and public sector funds were the only type of fund that experienced growth in numbers in 2004–05, with all other fund types declining.

Table 4.1: Funds, by type, 2003–04 and 2004–05 income years

Fund type	2003–04 ¹		2004–05 ¹	
	No.	%	No.	%
Self managed superannuation fund	238,121	96.0	259,010	96.7
Small APRA fund	7,718	3.1	7,138	2.7
Large fund types ²				
Corporate fund	1,065	0.4	749	0.3
Industry fund	78	0.0	67	0.0
Retail fund	355	0.1	342	0.1
Public sector fund	38	0.0	44	0.0
<i>Total large fund types</i>	<i>1,536</i>		<i>1,202</i>	
Non-regulated fund	555	0.2	429	0.2
Other ³	219	0.1	198	0.1
Total⁴	248,149	100	267,977	100

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 This term should not be confused with 'Large funds', which refers to funds with income of more than \$100 million.

3 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

4 Totals may differ slightly from the sum of components due to rounding.

The industry in which most members of a fund are employed determines the industry classification of the fund. Funds self-classify their industry each year on the fund tax return. In 2004–05, 61.6% of funds classified themselves in the finance, insurance, real estate and business services industry, followed by 8.2% in the wholesale and retail trade industry.

Table 4.2: Funds, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	No.	%	No.	%
Building & construction	18,602	7.5	19,235	7.2
Electricity, gas & water	1,185	0.5	1,219	0.5
Entertainment, recreation, hotels, personal services & restaurants	8,175	3.3	8,545	3.2
Finance, insurance, real estate & business services	147,881	59.6	165,203	61.6
Government	707	0.3	708	0.3
Health, education, welfare & community services	18,285	7.4	18,687	7.0
Manufacturing	7,885	3.2	7,952	3.0
Mining	1,550	0.6	1,620	0.6
Primary production	13,810	5.6	13,953	5.2
Transport, storage & communications	6,716	2.7	6,880	2.6
Wholesale & retail trade	21,795	8.8	21,957	8.2
Other ³	1,558	0.6	2,018	0.8
Total⁴	248,149	100	267,977	100

1 Fund industry groupings are different from the Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993 groupings used by other entities. Only superannuation funds need to specify their industry classification on the fund income tax return.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

4 Totals may differ slightly from the sum of components due to rounding.

Box 4.1: Fund size, by total income

For the purposes of this chapter:

Total income is the amount a fund declared at item 9a, label S, on page 3 of the 2005 fund return.

Loss/nil funds have a total income equal to or less than \$0.

Micro funds have a total income equal to or more than \$1 but less than \$2 million.

Small funds have a total income equal to or more than \$2 million but less than \$10 million.

Medium funds have a total income between \$10 million and \$100 million (inclusive).

Large funds have a total income of more than \$100 million.

Micro funds accounted for 97.2% of the total number of funds in 2004–05. Small, medium and large funds accounted for less than 0.3% of the total number of funds, while 2.6% of funds had total income equal to or less than \$0. These proportions did not significantly change between 2003–04 and 2004–05.

Table 4.3: Funds, by size, 2003–04 and 2004–05 income years

Fund size	2003–04 ¹		2004–05 ¹	
	No.	%	No.	%
Loss/nil	6,137	2.5	6,836	2.6
Micro	241,305	97.2	260,443	97.2
Small	349	0.1	343	0.1
Medium	261	0.1	239	0.1
Large	97	0.0	116	0.0
Total²	248,149	100	267,977	100

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Totals may differ slightly from the sum of components due to rounding.

FUND INCOME

For the 2004–05 income year, funds reported total income of \$81.4 billion, a 22.5% increase from 2003–04. Although retail funds represented less than 0.2% of funds, they accounted for 29.2% of total fund income.

Table 4.4: Fund total income, by fund type, 2003–04 and 2004–05 income years

Fund type	2003–04 ¹		2004–05 ¹	
	\$m	%	\$m	%
Self managed superannuation fund	12,471	18.8	15,831	19.5
Small APRA fund	268	0.4	322	0.4
Large fund types ²				
Corporate fund	11,406	17.2	10,715	13.2
Industry fund	12,642	19.0	15,208	18.7
Retail fund	17,524	26.4	23,799	29.2
Public sector fund	8,894	13.4	11,592	14.2
<i>Total large fund types</i>	<i>50,466</i>		<i>61,314</i>	
Non-regulated fund	47	0.1	30	0.0
Other ³	3,178	4.8	3,873	4.8
Total⁴	66,430	100	81,370	100

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 This term should not be confused with 'Large funds', which refers to funds with income of more than \$100 million.

3 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

4 Totals may differ slightly from the sum of components due to rounding.

The finance, insurance, real estate and business services industry generated 37.3% of total fund income and represented 61.6% of the total number of funds in 2004–05. The only industry that had a decline in income in 2004–05 was the transport, storage and communications industry, with a decrease of 21.2%.

Table 4.5: Fund total income, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	\$m	%	\$m	%
Building & construction	2,138	3.2	2,720	3.3
Electricity, gas & water	974	1.5	1,211	1.5
Entertainment, recreation, hotels, personal services & restaurants	1,405	2.1	1,758	2.2
Finance, insurance, real estate & business services	23,682	35.6	30,331	37.3
Government	9,635	14.5	11,959	14.7
Health, education, welfare & community services	6,694	10.1	8,170	10.0
Manufacturing	6,607	9.9	7,280	8.9
Mining	907	1.4	1,248	1.5
Primary production	827	1.2	1,275	1.6
Transport, storage & communications	5,949	9.0	4,690	5.8
Wholesale & retail trade	4,082	6.1	4,844	6.0
Other ³	3,530	5.3	5,884	7.2
Total⁴	66,430	100	81,370	100

1 Fund industry groupings are different from the ANZSIC groupings used by other entities. Only superannuation funds need to specify their industry classification on the fund income tax return.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

4 Totals may differ slightly from the sum of components due to rounding.

The number of funds reporting total income in 2004–05 increased by 7.9%, while total income of funds increased by 22.5%. The main income source for funds was contributions from employers, which grew by 3.0% in 2004–05, representing 48.0% of total income. Almost all other types of fund income experienced strong growth. Net capital gains grew by 330.3% in 2004–05 as 44.4% more funds realised capital gains. This increase in net capital gains was largely linked to the rise in the stock market.

Table 4.6: Fund income, by source, 2003–04 and 2004–05 income years

Source of income	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Employer contributions	144,899	37,914	151,742	39,063
Distribution from trusts	125,714	8,039	140,756	9,986
Net capital gains	73,530	1,876	106,179	8,073
Dividends franked	155,357	3,654	169,802	5,738
Net foreign income	93,748	2,715	113,701	3,983
Gross interest	216,263	2,932	236,352	3,521
Employee contributions	25,347	1,964	28,947	2,555
Franking credits	155,370	1,559	169,820	2,471
Gross rents	36,185	1,168	39,503	1,260
Dividends unfranked	108,029	390	118,054	561
Distribution from partnerships	2,647	61	2,940	95
Australian franking credits from a New Zealand company	851	43	698	2
Net non-arm's length income	66	24	67	2
Gross payments where ABN not quoted	134	<1	184	<1
Net previous income	5	<1	6	<1
Other income	32,657	4,090	33,155	4,059
Total²	242,046	66,430	261,173	81,370

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Components do not add to total number of taxpayers as taxpayers may declare more than one income source. Totals may differ slightly from the sum of components due to rounding.

FUND DEDUCTIONS

Total deductions for the 2004–05 income year were \$23.7 billion, an 18.5% increase from 2003–04. Retail funds accounted for 52.1% of total deductions, followed by public sector funds with 17.6%.

Table 4.7: Fund total deductions, by fund type, 2003–04 and 2004–05 income years

Fund type	2003–04 ¹		2004–05 ¹	
	\$m	%	\$m	%
Self managed superannuation fund	2,515	12.6	3,710	15.6
Small APRA fund	107	0.5	142	0.6
Large fund types ²				
Corporate fund	1,223	6.1	1,390	5.9
Industry fund	1,942	9.7	1,495	6.3
Retail fund	10,036	50.1	12,361	52.1
Public sector fund	3,795	19.0	4,170	17.6
<i>Total large fund types</i>	<i>16,996</i>		<i>19,416</i>	
Non-regulated fund	27	0.1	5	0.0
Other ³	372	1.9	439	1.9
Total⁴	20,017	100	23,712	100

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 This term should not be confused with 'Large funds', which refers to funds with income of more than \$100 million.

3 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

4 Totals may differ slightly from the sum of components due to rounding.

Most deductions were claimed by the finance, insurance, real estate and business services industry, followed by government and the manufacturing industry.

Table 4.8: Fund total deductions, by industry, 2003–04 and 2004–05 income years

Industry	2003–04 ¹		2004–05 ¹	
	\$m	%	\$m	%
Building & construction	338	1.7	433	1.8
Electricity, gas & water	153	0.8	119	0.5
Entertainment, recreation, hotels, personal services & restaurants	178	0.9	218	0.9
Finance, insurance, real estate & business services	11,197	55.9	13,603	57.4
Government	4,094	20.5	4,301	18.1
Health, education, welfare & community services	1,104	5.5	994	4.2
Manufacturing	1,101	5.5	1,786	7.5
Mining	137	0.7	170	0.7
Primary production	124	0.6	192	0.8
Transport, storage & communications	415	2.1	591	2.5
Wholesale & retail trade	508	2.5	550	2.3
Other ²	668	3.3	755	3.2
Total³	20,017	100	23,712	100

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

3 Totals may differ slightly from the sum of components due to rounding.

Transfer of taxable contributions was the most significant fund deduction for 2004–05, accounting for 38.4% or \$9.1 billion of total deductions. This represented a 24.6% increase from 2003–04. Exempt current pension income increased by 48.9% in 2004–05. Factors that influenced this growth include a 26.3% increase in the number of funds claiming this deduction (more fund members receiving a superannuation pension) and general strong growth in fund income.

The increase in management/administration expenses can be attributed to the return of superannuation guarantee entitlements to individuals' superannuation funds.

Table 4.9: Total fund deductions, by type, 2003–04 and 2004–05 income years

Type of deduction	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Transfer of taxable contributions	115	7,310	94	9,108
Exempt current pension income	28,637	4,482	36,161	6,673
Management/administration expenses	179,277	1,844	203,660	2,300
Group life & disability premiums	28,732	2,207	32,731	2,273
Investment expenses	54,144	1,216	63,561	1,488
Depreciation deducted	16,416	80	17,744	82
Losses recouped ²	6,390	83	6,622	80
Total salary & wage expenses	145	59	157	62
Capital works deduction	5,027	32	5,584	39
Interest expenses – Australia	10,507	13	12,007	19
Interest expenses – overseas	138	<1	170	<1
Foreign resident withholding expenses ³	n.a.	n.a.	11	<1
Other deductions	80,582	2,692	77,460	1,587
Total⁴	236,372	20,017	257,166	23,712

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Also referred to as 'Tax losses deducted'.

3 Foreign resident withholding expenses were introduced in 2004–05.

4 Taxpayers can claim more than one type of deduction. Totals may differ slightly from the sum of components due to rounding.

FUND NET TAX

For the 2004–05 income year, industry funds accounted for 28.3% or \$1.4 billion of the total net tax payable, a 7.6% increase from 2003–04. Corporate funds accounted for a further 20.7% of the total net tax payable.

Table 4.10: Fund net tax, by fund type, 2003–04 and 2004–05 income years

Fund type	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Self managed superannuation fund	224,505	748	243,530	726
Small APRA fund	7,444	–2	6,941	–5
Large fund types ²				
Corporate fund	958	1,257	692	999
Industry fund	75	1,268	66	1,365
Retail fund	274	607	264	989
Public sector fund	34	272	39	407
<i>Total large fund types</i>	<i>1,341</i>	<i>3,404</i>	<i>1,061</i>	<i>3,760</i>
Non-regulated fund	272	8	195	11
Other ³	179	305	146	328
Total⁴	233,741	4,463	251,873	4,819

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 This term should not be confused with 'Large funds', which refers to funds with income of more than \$100 million.

3 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

4 Totals may differ slightly from the sum of components due to rounding.

Box 4.2: Calculating net tax for funds

Fund net tax is calculated as:	
	Total income (item 9a, label S – excludes gross foreign income)
less	Total deductions (item 9b, labels A-G)
<i>gives</i>	<i>Taxable income or loss</i> (item 8, label A)
apply	Fund type specific tax rate
<i>gives</i>	<i>Gross tax</i> (item 8, label B)
subtract	Foreign tax credits, rebates/tax offsets
<i>gives</i>	<i>Tax payable</i>
subtract	Refundable franking credits (item 8, label Q)
<i>gives</i>	Net tax

The finance, insurance, real estate and business services industry was liable for 24.6% of fund net tax in 2004–05, compared to 22.9% in 2003–04.

Table 4.11: Fund net tax, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	No.	\$m	No.	\$m
Building & construction	17,566	206	18,135	230
Electricity, gas & water	1,132	85	1,160	95
Entertainment, recreation, hotels, personal services & restaurants	7,569	144	7,852	144
Finance, insurance, real estate & business services	138,742	1,024	154,774	1,186
Government	661	340	669	508
Health, education, welfare & community services	17,684	579	18,032	651
Manufacturing	7,463	649	7,537	508
Mining	1,476	82	1,530	116
Primary production	13,073	66	13,215	86
Transport, storage & communications	6,325	724	6,436	439
Wholesale & retail trade	20,693	411	20,765	413
Other ³	1,357	154	1,768	442
Total⁴	233,741	4,463	251,873	4,819

1 Fund industry groupings are different from the ANZSIC groupings used by other entities. Only superannuation funds need to specify their industry classification on the fund income tax return.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Includes funds that nominated 'Other' on their tax return, approved deposit funds and pooled superannuation trusts.

4 Totals may differ slightly from the sum of components due to rounding.

Large funds were liable for 68.7% of net tax in 2004–05, compared with 64.3% in 2003–04. Only large funds had an increase in the amount of fund net tax (15.4%). All other fund sizes had a decrease. This is especially significant for micro funds as there was an increase of 7.8% in the number with net tax, but a 3.1% decrease in the value of net tax.

Table 4.12: Fund net tax, by fund size, 2003–04 and 2004–05 income years

Fund size	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Loss/nil	42	<1	45	<1
Micro	233,035	778	251,169	754
Small	336	124	332	117
Medium	245	692	226	638
Large	83	2,869	101	3,310
Total²	233,741	4,463	251,873	4,819

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Totals may differ slightly from the sum of components due to rounding.

SOURCE OF FUND STATISTICS

The statistics in this chapter are sourced from 2005 and 2004 fund income tax returns processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken in comparing the statistics for the current year and previous years.

Statistics in the detailed tables have been updated for the 2002–03 and 2003–04 income years to include returns processed by 31 October 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the fund income tax return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

LIST OF FUND DETAILED TABLES

The following detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

To find out whether a particular item is included in a detailed table, refer to the fund tax detailed table index included on the attached CD-ROM and in the online version of this publication. The index lists the different items shown in the detailed tables and specifies which table they appear in.

Table 1: Selected items, by net tax and fund status, 2004–05 income year

This table shows the number, taxable income and net tax of different types of funds (superannuation fund, approved deposit fund and pooled superannuation trust) ranged by net tax. The number, taxable income and net tax of taxable and non-taxable funds are also reported.

Table 2: Selected items, by fund status and membership industry classification, 2004–05 income year

This table shows the number of records and amounts for items funds declare on their fund tax return. Funds and the data are classified by fund type (superannuation fund, approved deposit fund and pooled superannuation trust). Superannuation funds and the data referring to superannuation funds are further classified by membership industry classification.

- **Part A: Calculation statement items** – contains labels from item 8 ‘Calculation statement’ on page 2 of the fund tax return.
- **Part B: Income items** – contains income labels from item 9a ‘Income’ on page 3 of the fund tax return.
- **Part C: Expense items and losses information** – contains expense labels from item 9b ‘Deductions’ and labels from item 10 ‘Losses information’ on page 4 of the fund tax return.
- **Part D: Other information** – contains labels from item 11 ‘Other information’ on page 4 of the fund tax return.


 In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 3: Selected items for income years 1995–96 to 2004–05

This table shows selected items from the fund tax return for income years 1995–96 to 2004–05. The number of records and amounts for most items are shown.

Table 4: Selected items, by taxable income, 2004–05 income year

This table shows the number of records and amounts for items funds declare on their fund tax return. Funds and the data are ranged by taxable income.

- **Part A: Calculation statement items** – contains labels from item 8 ‘Calculation statement’ on page 2 of the fund tax return.
- **Part B: Income items** – contains income labels from item 9a ‘Income’ on page 3 of the fund tax return.
- **Part C: Expense items and losses information** – contains expense labels from item 9b ‘Deductions’ and labels from item 10 ‘Losses information’ on page 4 of the fund tax return.
- **Part D: Other information** – contains labels from item 11 ‘Other information’ on page 4 of the fund tax return.

ⓘ In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 5: Selected items, by fund size and balance date, 2004–05 income year

This table shows selected items from the fund tax return, by fund size, for funds that have an income year similar to the Australian financial year (June balancers), and funds that use a substituted accounting period.

Table 6: Selected items, by total income, 2004–05 income year

This table shows the number of records and amounts for items funds declare on their fund tax return. Funds and the data are ranged by total income.

- **Part A: Calculation statement items** – contains labels from item 8 ‘Calculation statement’ on page 2 of the fund tax return.
- **Part B: Income items** – contains income labels from item 9a ‘Income’ on page 3 of the fund tax return.
- **Part C: Expense items and losses information** – contains expense labels from item 9b ‘Deductions’ and labels from item 10 ‘Losses information’ on page 4 of the fund tax return.
- **Part D: Other information** – contains labels from item 11 ‘Other information’ on page 4 of the fund tax return.

ⓘ In order to meet privacy regulations, statistics for some items may not be included in the tables.

05 PARTNERSHIPS

OVERVIEW

For the 2004–05 income year:

- 434,491 partnerships lodged returns, a 2.8% decrease from 2003–04
- the largest proportion of partnerships were in the agriculture, forestry and fishing industry, at 26.5%
- partnerships reported total business income of \$116.1 billion, a 5.9% decrease from 2003–04
- total partnership expenses were \$101.3 billion, a 6.5% decrease from 2003–04.

INTRODUCTION

This chapter provides information on partnerships as reported on their partnership tax returns. For tax purposes, a partnership is an association of people who carry on business as partners or who receive income jointly, but does not include a company. Partners contribute their time, talents and/or capital towards the partnership and, in return, share in both the profits/losses and responsibilities.

A partnership generally does not pay tax in its own right. Members of the partnership pay tax at their individual tax rate on their share of partnership income included on their individual tax return. A partner's share of any capital gains or losses relating to capital gains tax events for partnership assets must be disclosed on the partner's tax return.

As a partnership is a separate entity for tax purposes, it requires a separate tax file number and must lodge a partnership return at the end of the income year. All income earned by the partnership, and deductions claimed for expenses incurred in earning that income, must be shown on the tax return. Although this return is simply an information return, it provides the basis for determining the partners' respective shares of the net partnership income or loss.

NEW FEATURES AND INFORMATION

The following new labels were added to the 2005 partnership return and have been included in the detailed tables:

- Gross payments subject to foreign resident withholding (item 5)
 - Primary production (label A)
 - Non-primary production (label B)
- Foreign resident withholding expenses (item 5, label P)
- Credit for tax withheld – foreign resident withholding (item 6, label U).

PARTNERSHIP RETURNS

Box 5.1: Partnership size, by total business income

For the purposes of this chapter:

Total business income is the amount a partnership declared at item 5 on page 2 of the 2005 partnership return.

Loss/nil partnerships have a total business income equal to or less than \$0.

Micro partnerships have a total business income equal to or more than \$1 but less than \$2 million.

Small partnerships have a total business income equal to or more than \$2 million but less than \$10 million.

Medium partnerships have a total business income between \$10 million and \$100 million (inclusive).

Large partnerships have a total business income of more than \$100 million.

For the 2004–05 income year, a total of 434,491 partnerships lodged returns, a 2.8% decrease from 2003–04. Micro partnerships were the most common type of partnership, accounting for 82.3% of the total number of partnerships.

Table 5.1: Partnerships, by size, 2003–04 and 2004–05 income years

Partnership size	2003–04 ¹		2004–05 ¹	
	No.	%	No.	%
Loss/nil	70,290	15.7	70,240	16.2
Micro	370,725	82.9	357,597	82.3
Small	5,528	1.2	5,969	1.4
Medium	612	0.1	641	0.1
Large	52	0.0	44	0.0
Total²	447,207	100	434,491	100

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Totals may differ slightly from the sum of components due to rounding.

The proportion of partnerships across all industries remained stable from 2003–04 to 2004–05. The agriculture, forestry and fishing industry had the largest proportion of partnerships, at 26.5%. This was followed by the construction industry at 14.0% and retail trade industry at 12.3%. Education and investment income recipients were the only industries that experienced a growth in the number of partnerships for the 2004–05 income year.

Table 5.2: Partnerships, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	No.	%	No.	%
Agriculture, forestry & fishing	118,376	26.5	115,139	26.5
Mining	676	0.2	633	0.1
Manufacturing	21,929	4.9	20,743	4.8
Electricity, gas & water supply	275	0.1	251	0.1
Construction	62,673	14.0	60,616	14.0
Wholesale trade	10,840	2.4	10,549	2.4
Retail trade	54,750	12.2	53,372	12.3
Accommodation, cafes & restaurants	15,569	3.5	15,123	3.5
Transport & storage	18,827	4.2	17,850	4.1
Communication	3,495	0.8	3,260	0.8
Finance & insurance	5,762	1.3	5,574	1.3
Property & business services	48,363	10.8	47,769	11.0
Education	1,886	0.4	1,915	0.4
Health & community services	4,900	1.1	4,783	1.1
Cultural & recreational services	7,600	1.7	7,261	1.7
Personal & other services	16,694	3.7	15,977	3.7
Investment income recipients ³	40,433	9.0	40,675	9.4
Other ⁴	14,159	3.2	13,001	3.0
Total⁵	447,207	100	434,491	100

1 The industry groups are based on the Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993 codes.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 This category refers to partnerships that reported direct income from investment but did not report income or loss from a business or another trust or partnership on their returns. In past editions of *Taxation Statistics* this category was referred to as 'Property' or 'Property income recipients'.

4 Includes partnerships that lodged a subsidiary return with income from non-primary production partnerships and trusts, those registered under the government administration and defence code and those that did not state their industry.

5 Totals may differ slightly from the sum of components due to rounding.

PARTNERSHIP INCOME

Overall, partnerships reported a total business income of \$116.1 billion for the 2004–05 income year, a 5.9% decrease from 2003–04.

Table 5.3: Partnership total business income, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	\$m	%	\$m	%
Agriculture, forestry & fishing	21,291	17.3	21,949	18.9
Mining	785	0.6	682	0.6
Manufacturing	12,846	10.4	6,539	5.6
Electricity, gas & water supply	3,351	2.7	2,030	1.7
Construction	14,715	11.9	16,342	14.1
Wholesale trade	6,337	5.1	6,642	5.7
Retail trade	23,507	19.1	24,094	20.8
Accommodation, cafes & restaurants	4,443	3.6	4,615	4.0
Transport & storage	3,647	3.0	3,958	3.4
Communication	538	0.4	645	0.6
Finance & insurance	2,437	2.0	2,059	1.8
Property & business services	19,524	15.8	16,893	14.5
Education	145	0.1	159	0.1
Health & community services	2,721	2.2	2,893	2.5
Cultural & recreational services	4,114	3.3	3,579	3.1
Personal & other services	2,292	1.9	2,270	2.0
Other ³	678	0.5	756	0.7
Total⁴	123,373	100	116,104	100

1 The industry groups are based on the ANZSIC 1993 codes.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Includes partnerships that lodged a subsidiary return with income from non-primary production partnerships and trusts, those registered under the government administration and defence code and those that did not state their industry.

4 Totals may differ slightly from the sum of components due to rounding.

Micro partnerships had the largest proportion of total business income in both 2003–04 and 2004–05. Large partnerships experienced the greatest decrease in total business income, with a 38.6% decrease for the 2004–05 income year.

Table 5.4: Partnership total business income, by partnership size, 2003–04 and 2004–05 income years

Partnership size	2003–04 ¹		2004–05 ¹	
	\$m	%	\$m	%
Loss/nil	-5	0.0	-26	0.0
Micro	67,026	54.3	66,681	57.4
Small	20,690	16.8	22,275	19.2
Medium	14,730	11.9	14,323	12.3
Large	20,932	17.0	12,852	11.1
Total²	123,373	100	116,104	100

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.
2 Totals may differ slightly from the sum of components due to rounding.

Total business income was the most significant type of income stated on partnership returns for 2004–05, followed by net rent.

Table 5.5: Partnership selected income items, 2003–04 and 2004–05 income years

Selected income items	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Total business income	377,217	123,373	364,550	116,104
Gross interest	137,129	659	133,537	709
Gross (or total) dividends	45,358	212	42,644	238
Net rent	76,409	1,410	73,784	1,369
Net business income	383,686	13,835	371,560	14,291
Total net income or loss	435,198	16,703	422,371	17,037

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

PARTNERSHIP EXPENSES

For the 2004–05 income year, partnerships reported total business expenses of \$101.3 billion, a 6.5% decrease from 2003–04. This decrease in expenses is consistent with the decrease recorded for total business income. The most significant expense claimed was cost of sales, which accounted for 41.5% of all partnership expenses.

Table 5.6: Partnership business expenses, by type, 2003–04 and 2004–05 income years

Type of expense	2003–04 ¹		2004–05 ¹	
	No. ²	\$m	No. ²	\$m
Cost of sales	203,263	44,543	197,246	42,092
Interest	206,477	4,232	200,382	3,950
External labour	95,339	4,607	91,909	4,664
Rent	103,120	2,623	99,424	2,604
Depreciation	333,529	4,672	322,920	4,388
Superannuation	90,953	833	86,352	821
Repairs & maintenance	253,789	2,195	243,179	2,097
Motor vehicle	285,209	2,094	273,069	2,125
Lease expenses	39,033	539	35,662	491
Royalty expenses	9,889	850	9,241	119
Bad debts	2,697	148	2,521	247
Other expenses	378,731	40,997	366,457	37,722
Total³	385,768	108,335	373,626	101,319

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Components do not add to total number of taxpayers claiming expenses as taxpayers may claim more than one type of expense.

³ Totals may differ slightly from the sum of components due to rounding.

SOURCE OF PARTNERSHIP STATISTICS

The statistics in this chapter are sourced from 2005 and 2004 partnership tax returns processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken when comparing the statistics for the current year and previous years.

Statistics reported in the detailed tables have been updated for the 2002–03 and 2003–04 income years to include returns processed by 31 October 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the partnership tax return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

LIST OF PARTNERSHIP DETAILED TABLES

The following partnership return detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

The items referred to in the detailed tables are items declared on the 2005 partnership income tax return. A copy of the return is in the appendix.

To find out whether a particular item is included in a detailed table, refer to the partnership return detailed tables index included on the attached CD-ROM and in the online version of this publication. The table index lists the different items shown in the detailed tables and specifies which table they appear in.

Table 1: Selected items, by net Australian income, 2004–05 income year

This table shows the number of records and amounts for selected items from the partnership return, ranged by net Australian income.

- **Part A: Business income, expense and reconciliation items** – contains income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the partnership return.
- **Part B: Other income and expense items** – contains labels from items 6–12 on page 3 of the partnership return.
- **Part C: Other deductions, foreign income and total net income** – contains labels from items 14, 15 and 17–21 on page 4 of the partnership return.
- **Part D: Key financial information and business and professional items** – contains items 28–32 from the 'Key financial information' section and items 35–53 from the 'Business and professional items' section on page 5 of the partnership return.

Table 2: Selected items, by broad industry, 2004–05 income year

This table shows the number of records and amounts for most items from the partnership return. Partnership returns and the data are classified by broad industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC 1993 codes.

- **Part A: Business income, expense and reconciliation items** – contains income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the partnership return.
- **Part B: Other income and expense items** – contains labels from items 6–12 on page 3 of the partnership return.
- **Part C: Other deductions, foreign income and total net income** – contains labels from items 14, 15 and 17–21 on page 4 of the partnership return.
- **Part D: Key financial information and business and professional items** – contains items 28–32 from the 'Key financial information' section and items 35–53 from the 'Business and professional items' section on page 5 of the partnership return.


Table 3: Selected items for income years 1995–96 to 2004–05

This table shows selected items from the partnership return for income years 1995–96 to 2004–05. Most items display number of records and amounts.

Table 4: Selected items, by fine industry, 2004–05 income year

This table shows the number of partnership returns and amounts for most items from the partnership return. Partnership returns and the amounts are classified by fine industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC 1993 codes.

- **Part A: Business income, expense and reconciliation items** – contains income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the partnership return.
- **Part B: Other income and expense items** – contains labels from items 6–12 on page 3 of the partnership return.
- **Part C: Other deductions, foreign income and total net income** – contains labels from items 14, 15 and 17–21 on page 4 of the partnership return.
- **Part D: Key financial information and business and professional items** – contains items 28–32 from the 'Key financial information' section and items 35–53 from the 'Business and professional items' section on page 5 of the partnership return.

 In order to meet privacy regulations, statistics for some items may not be included in the tables.

OVERVIEW

For the 2004–05 income year:

- 533,268 trusts lodged returns, a 6.3% increase from 2003–04
- the largest proportion of trusts where industry was stated was in the investment income recipients industry, with 22.8%
- trusts reported total business income of \$215.5 billion, a 7.0% increase from 2003–04
- total trust expenses were \$201.0 billion, an 8.4% increase from 2003–04.

INTRODUCTION

This chapter provides information on trusts as reported on their trust income tax returns. A trust exists where a person, the 'trustee', is under an obligation to hold property or income for the benefit of other people, known as 'beneficiaries'. This obligation usually arises under the express terms of a trust, but may also be imposed by court order or declaration, or by the operation of law. Although the trustees hold the legal title to the property, they must deal with it in accordance with the terms of the trust for the benefit of the beneficiaries.

Beneficiaries can include public and charitable institutions, and the potential beneficiaries of a discretionary trust can include people not yet born.

A trust is not a separate taxable entity and a trust does not pay tax in its own right. (Note that certain public unit trusts are taxed as companies.) In general terms, it is the beneficiaries who are subject to tax. The trustee is generally taxed only in respect of certain kinds of beneficiaries (such as non-residents and those under a legal disability) and where some part of the net income of the trust for tax purposes is not assessable to a beneficiary. The net income of the trust is generally assessable to the trustee or the beneficiaries in the income year it is derived by the trust.

An annual tax return must be lodged for a trust, regardless of the amount of income derived by the trust, and even if the trust makes a loss for tax purposes.

NEW FEATURES AND INFORMATION

The following new labels were added to the 2005 trust tax return and have been included in the detailed tables:

- Gross payments subject to foreign resident withholding (item 5)
 - Primary production (label A)
 - Non-primary production (label B)
- Foreign resident withholding expenses (item 5, label P)
- Credit for tax withheld – foreign resident withholding (item 6, label U).

TRUST RETURNS

Box 6.1: Trust size, by total business income

For the purposes of this chapter:

Total business income is the amount a trust declares at item 5 on page 2 of the 2005 trust return.

Loss/nil trusts have a total business income equal to or less than \$0.

Micro trusts have a total business income equal to or more than \$1 but less than \$2 million.

Small trusts have a total business income equal to or more than \$2 million but less than \$10 million.

Medium trusts have a total business income between \$10 million and \$100 million (inclusive).

Large trusts have a total business income of more than \$100 million.

For the 2004–05 income year, a total of 533,268 trusts lodged returns, a 6.3% increase from 2003–04. Loss/nil trusts were the most common type of trust, accounting for 58.2% of the total number of trusts in 2004–05.

Table 6.1: Trusts, by size, 2003–04 and 2004–05 income years

Trust size	2003–04 ¹		2004–05 ¹	
	No.	%	No.	%
Loss/nil	291,311	58.0	310,309	58.2
Micro	193,910	38.6	205,050	38.5
Small	13,989	2.8	15,035	2.8
Medium	2,545	0.5	2,751	0.5
Large	105	0.0	123	0.0
Total²	501,860	100	533,268	100

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Totals may differ slightly from the sum of components due to rounding.

The largest proportion of trusts where industry was stated was in the investment income recipients industry, with 22.8%, followed by 14.5% in the property and business services industry. These proportions were relatively unchanged from 2003–04.

Table 6.2: Trusts, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	No.	%	No.	%
Agriculture, forestry & fishing	26,797	5.3	27,638	5.2
Mining	616	0.1	650	0.1
Manufacturing	13,112	2.6	13,639	2.6
Electricity, gas & water supply	169	0.0	177	0.0
Construction	23,211	4.6	25,437	4.8
Wholesale trade	9,038	1.8	9,511	1.8
Retail trade	26,204	5.2	27,950	5.2
Accommodation, cafes & restaurants	9,057	1.8	9,759	1.8
Transport & storage	8,397	1.7	9,102	1.7
Communication	1,364	0.3	1,617	0.3
Finance & insurance	50,330	10.0	51,013	9.6
Property & business services	73,914	14.7	77,548	14.5
Education	1,181	0.2	1,328	0.2
Health & community services	8,431	1.7	9,062	1.7
Cultural & recreational services	3,264	0.7	3,470	0.7
Personal & other services	7,174	1.4	7,478	1.4
Investment income recipients ³	113,218	22.6	121,408	22.8
Other ⁴	126,383	25.2	136,481	25.6
Total⁵	501,860	100	533,268	100

1 With the exception of the 'Investment income recipients' category, the industry groups are based on the Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993 codes.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 This category refers to trusts that reported direct income from investment income (for example, rental income, interest or dividends) but did not report income or loss from a business or another trust or partnership on their returns. In past editions of *Taxation Statistics* this category was referred to as 'Property' or 'Property income recipients'.

4 Includes trusts that lodged a subsidiary return with income from non-primary production partnerships and trusts, those registered under the government administration and defence code and those that did not state their industry.

5 Totals may differ slightly from the sum of components due to rounding.

TRUST INCOME

For the 2004–05 income year, trusts reported total business income of \$215.5 billion, a 7.0% increase from 2003–04.

This increase is consistent with a 6.3% increase in the total number of trust returns lodged.

Table 6.3: Trust total business income, by industry, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	\$m	%	\$m	%
Agriculture, forestry & fishing	11,029	5.5	12,169	5.6
Mining	2,243	1.1	1,171	0.5
Manufacturing	18,662	9.3	20,166	9.4
Electricity, gas & water supply	210	0.1	252	0.1
Construction	17,746	8.8	19,933	9.2
Wholesale trade	24,319	12.1	25,121	11.7
Retail trade	45,563	22.6	47,888	22.2
Accommodation, cafes & restaurants	9,277	4.6	10,198	4.7
Transport & storage	6,241	3.1	6,945	3.2
Communication	575	0.3	720	0.3
Finance & insurance	19,889	9.9	23,420	10.9
Property & business services	35,151	17.5	36,636	17.0
Education	328	0.2	387	0.2
Health & community services	4,819	2.4	4,898	2.3
Cultural & recreational services	1,488	0.7	1,584	0.7
Personal & other services	2,771	1.4	3,002	1.4
Investment income recipients ³	1	0.0	n.a.	0.0
Other ⁴	1,038	0.5	1,047	0.5
Total⁵	201,350	100	215,538	100

1 With the exception of the 'Investment income recipients' category, the industry groups are based on the ANZSIC 1993 codes.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 This category refers to trusts that reported direct income from investment income (for example, rental income, interest or dividends) but did not report income or loss from a business or another trust or partnership on their returns. In past editions of *Taxation Statistics* this category was referred to as 'Property' or 'Property income recipients'.

4 Includes trusts that lodged a subsidiary return with income from non-primary production partnerships and trusts, those registered under the government administration and defence code and those that did not state their industry.

5 Totals may differ slightly from the sum of components due to rounding.

The largest proportion of business income was generated by micro, medium and small trusts for both 2003–04 and 2004–05.

Despite the higher business losses of \$750.0 million in 2004–05 compared to only \$40.0 million in 2003–04, there was an overall increase in total business income of 7.0% or \$14.2 billion, compared to 2003–04.

Table 6.4: Trust total business income, by trust size, 2003–04 and 2004–05 income years

Trust size	2003–04 ¹		2004–05 ¹	
	\$m	%	\$m	%
Loss/nil	–40	0.0	–750	0.3
Micro	61,724	30.7	65,458	30.4
Small	56,443	28.0	60,494	28.1
Medium	59,143	29.4	64,785	30.1
Large	24,079	12.0	25,551	11.9
Total²	201,350	100	215,538	100

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Totals may differ slightly from the sum of components due to rounding.

A comparison of selected income items shows that the number of trusts reporting net rent, gross interest and gross (or total) dividends, and the amounts reported, increased from 2003–04 to 2004–05.

While net rent increased by 4.4%, gross interest and gross (or total) dividends increased by 29.6% and 28.1% respectively.

There was an increase of 6.5% and 8.6% respectively in the number of trusts reporting business income and total business income in 2004–05. The amounts of total net income and total business income also increased, by 30.1% or \$25,114 million and by 7.0% or \$14,188 million respectively. However, net business income decreased by 2.2%.

Table 6.5: Trust selected income items, 2003–04 and 2004–05 income years

Selected income items	No.	2003–04 ¹		2004–05 ¹	
		No.	\$m	No.	\$m
Total business income	210,932	201,350	223,405	215,538	
Gross interest	234,317	14,286	250,436	18,516	
Gross (or total) dividends	111,240	9,989	115,200	12,796	
Net rent	99,727	5,144	103,977	5,371	
Net business income	224,727	14,250	239,361	13,930	
Total net income or loss ²	473,119	83,496	503,854	108,610	

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Prior tax losses deducted.

TRUST EXPENSES

For the 2004–05 income year, total business expenses for trusts were \$201.0 billion, an 8.4% increase from 2003–04. This increase in expenses was consistent with the 7.0% increase recorded for total business income. The most significant expense claimed was cost of sales, which accounted for 50.8% of all trust expenses.

Table 6.6: Trust business expenses, by type, 2003–04 and 2004–05 income years

Type of expense	2003–04 ¹		2004–05 ¹	
	No. ²	\$m	No. ²	\$m
Cost of sales	90,135	96,010	95,705	102,091
Interest	131,794	7,133	140,097	9,831
External labour	49,345	5,708	52,669	6,069
Rent	79,796	4,835	84,547	5,200
Depreciation	172,805	4,119	183,781	4,417
Superannuation	114,261	3,619	117,266	3,763
Repairs & maintenance	129,639	2,013	135,389	2,110
Motor vehicle	125,821	1,870	133,347	2,088
Lease expenses	29,328	826	28,796	844
Royalty expenses	2,655	305	2,975	306
Bad debts	12,850	179	12,905	211
Other expenses	219,955	58,794	234,363	64,031
Total³	224,529	185,410	238,995	200,960

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

2 Components do not add to total number of taxpayers claiming expenses as taxpayers may claim more than one type of expense.

3 Dollar amount totals may differ slightly from the sum of components due to rounding.

SOURCE OF TRUST STATISTICS

The statistics in this chapter are sourced from 2005 and 2004 trust income tax returns processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken when comparing the statistics for the current year and previous years.

Statistics in the detailed tables have been updated for the 2002–03 and 2003–04 income years to include returns processed by 31 October 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the trust tax return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

LIST OF TRUST DETAILED TABLES

The following detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

To find out whether a particular item is included in a detailed table, refer to the trust return detailed tables index included on the attached CD-ROM and in the online version of this publication. The index lists the different items shown in the detailed tables and specifies which table they appear in.

Table 1: Selected items, by net Australian income, 2004–05 income year

This table shows the number of records and amounts for selected items from the trust return form, ranged by net Australian income.

- **Part A: Business income, expense and reconciliation items** – contains business income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the trust return.
- **Part B: Other income and expense items** – contains labels from items 6–12 on page 3 of the trust return.
- **Part C: Other deductions, foreign income, capital gains, tax offsets and total net income** – contains labels from items 14–25 relating to the 'Deductions', 'Capital gains' and 'Foreign income' sections on page 4 of the trust return.
- **Part D: Key financial information and business and professional items** – contains items 29–33 from the 'Key financial information' section and items 35–55 from the 'Business and professional items' section on page 5 of the trust return.

Table 2: Selected items, by broad industry, 2004–05 income year

This table shows the number of records and amounts for selected items from the trust return. Trust returns and the data are classified into broad industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC 1993 codes.

- **Part A: Business income, expense and reconciliation items** – contains business income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the trust return.
- **Part B: Other income and expense items** – contains labels from items 6–12 on page 3 of the trust return.
- **Part C: Other deductions, foreign income, capital gains, tax offsets and total net income** – contains labels from items 14–25 relating to the 'Deductions', 'Capital gains' and 'Foreign income' sections on page 4 of the trust return.
- **Part D: Key financial information and business and professional items** – contains items 29–33 from the 'Key financial information' section and items 35–55 from the 'Business and professional items' section on page 5 of the trust return.

Table 3: Selected items for income years 1995–96 to 2004–05

This table shows selected items from the trust return for income years 1995–96 to 2004–05. Most items display number and amount indicators.

Table 4: Selected items, by fine industry, 2004–05 income year

This table shows the number of trust returns and amounts for most items from the trust return. Trust returns and the amounts are classified into fine industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC 1993 codes.

- **Part A: Business income, expense and reconciliation items** – contains business income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the trust return.
- **Part B: Other income and expense items** – contains labels from items 6–12 on page 3 of the trust return.
- **Part C: Other deductions, foreign income, capital gains, tax offsets and total net income** – contains labels from items 14–25 relating to the 'Deductions', 'Capital gains' and 'Foreign income' sections on page 4 of the trust return.
- **Part D: Key financial information and business and professional items** – contains items 29–33 from the 'Key financial information' section and items 35–55 from the 'Business and professional items' section on page 5 of the trust return.


 In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 5: Trustee assessments: selected items, by taxable income and residential status, 2004–05 income year

This table shows the number of records and amounts for selected return items from the individual tax return of trustees assessed. Trustees assessed and the data are classified by taxable status (non-taxable and taxable) and are ranged by taxable income.

OVERVIEW

For the 2004–05 income year:

- net capital gains totalled \$25.7 billion, and were reported by 974,284 taxable individuals, 18,657 taxable companies and 75,075 taxable funds
- CGT payable on the net capital gains of taxable individuals, companies and funds was estimated to be \$7.0 billion
- 461,713 taxable individuals, companies and funds declared \$56.4 billion in total current year capital gains on their CGT schedules. Around 62.3% or \$35.1 billion of these total capital gains were sourced from shares.

NEW FEATURES AND INFORMATION

Statistics for the 2004–05 income year reported in this chapter may have been affected by:

- modification of the CGT treatment of options
- extension of CGT rollover relief for compulsory acquisitions
- CGT exemptions on foreign-sourced capital gains and losses for individuals who are temporary residents
- an increase in the range of business-related costs (black hole expenditure) that can be included in an asset's cost base
- losses and outgoings relating to illegal activities no longer forming part of the cost base for CGT, and
- relief for employee share scheme participants in the event of a corporate restructure.

INTRODUCTION

This chapter provides capital gains tax (CGT) information on individuals, companies and funds, as reported on their individual, company and fund tax returns as well as CGT schedules. CGT is the tax payable on any net capital gain included with other assessable income on an entity's (individual, company or fund) tax return. Normal rates of tax apply to a net capital gain.

A net capital gain is the total capital gain made by a taxpayer for an income year, reduced by:

- the taxpayer's total capital losses for the income year and any net capital losses from previous years, and
- any CGT discount or small business CGT concessions the taxpayer is entitled to.

If total capital gains are less than total capital losses for an income year, the taxpayer has a net capital loss for that income year. This loss cannot be deducted from assessable income; it can be used only to reduce capital gains in subsequent income years.

A capital gain or capital loss may arise if a CGT event happens, with the most common CGT event being the sale of an asset. Some typical assets are:

- land
- shares
- units in a unit trust or managed investment fund
- collectables which cost over \$500, for example, jewellery, and
- personal use assets which cost over \$10,000.

NET CAPITAL GAINS

From the 2003–04 to 2004–05 income years, there was an overall increase of 20.1% in the number of entities with net capital gains, and an increase of 63.3% in the amount of net capital gains. Funds recorded the largest increase in net capital gains, at \$6,197 million, and the largest percentage increase, of 330.3%. These increases are a result of more entities realising capital gains that have occurred for all asset classes, especially from the recently strong share market.

Table 7.1: Taxpayers with net capital gains, by entity, 2003–04 and 2004–05 income years

Entity	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Individual				
Taxable ²	813,755	9,827	974,284	11,852
Non-taxable	155,933	403	173,644	562
<i>Individual total</i> ³	969,688	10,230	1,147,928	12,413
Company				
Taxable ²	15,680	4,468	18,657	7,051
Non-taxable	7,450	907	7,939	1,001
<i>Company total</i> ³	23,130	5,375	26,596	8,053
Fund				
Taxable ²	51,031	1,551	75,075	6,797
Non-taxable	22,499	325	31,104	1,276
<i>Fund total</i> ³	73,530	1,876	106,179	8,073
Total ³	1,066,348	17,481	1,280,703	28,539

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.
2 Taxable taxpayers are taxpayers with net tax of more than \$0.
3 Totals may differ slightly from the sum of components due to rounding.

TAX PAYABLE ON NET CAPITAL GAINS

For the 2004–05 income year, an estimated \$7.0 billion in CGT was payable by taxable entities on net capital gains totalling \$25.7 billion. Taxable individuals accounted for 57.7% of tax on 46.1% of net capital gains, while taxable companies accounted for 27.6% of tax on 27.4% of net capital gains, and taxable funds accounted for 14.7% of tax on 26.4% of net capital gains.

When comparing taxable entities with net capital gains to the total population for each entity, only 8.7% of individuals, 2.6% of companies and 28.0% of funds were taxable and had a net capital gain for 2004–05.

Table 7.2: Tax payable on capital gains, by entity, 2004–05 income year

Entity	All taxpayers	Taxable taxpayers with net capital gain ¹	Net capital gains	Tax on net capital gains ²
	No.	No.	\$m	\$m
Individual	11,235,993	974,284	11,852	4,024
Company	707,455	18,657	7,051	1,929
Fund	267,977	75,075	6,797	1,025
Total	12,211,425	1,068,016	25,700	6,978

¹ Taxable taxpayers are taxpayers with net tax of more than \$0.
² Tax payable on net capital gains is estimated (based on entity type and tax rates).

Disposal or sale of an asset is still the most common CGT event. Asset disposal may be related to a range of economic and social factors, as well as to specific events.

Among taxable individuals with net capital gains for 2004–05, 50.4% had a taxable income of between \$21,601 and \$58,000 inclusive. They accounted for 21.4% of total net capital gains and were liable for 12.6% of the tax on net capital gains. Those with a taxable income of \$70,001 or more accounted for 24.5% of the total number of individuals, and accounted for 67.0% of net capital gains and 80.7% of the tax on net capital gains.

Table 7.3: Net capital gains and CGT of taxable individuals¹, by taxable income, 2004–05 income year

Taxable income	Taxpayers No.	Net capital gains \$m	Tax on net capital gains \$m
\$0–\$6,000	3,760	10	3
\$6,001–\$21,600	135,667	524	46
\$21,601–\$58,000	490,920	2,538	509
\$58,001–\$70,000	105,520	836	217
\$70,001 or more	238,417	7,943	3,249
Total²	974,284	11,852	4,024

¹ Refers to individual taxpayers with net tax payable of more than \$0.
² Totals may differ slightly from the sum of components due to rounding.

Box 7.1: Entity size, by total income

For the purposes of this chapter:

Loss/nil entities have a total income equal to or less than \$0.

Micro entities have a total income equal to or more than \$1 but less than \$2 million.

Small entities have a total income equal to or more than \$2 million but less than \$10 million.

Medium entities have a total income between \$10 million and \$100 million (inclusive).

Large entities have a total income of more than \$100 million.

Micro companies represented 86.9% of taxable companies with net capital gains for 2004–05, and accounted for 23.1% of the total net capital gains and 25.3% of the total tax payable. Large companies accounted for only 1.0% of the total number of companies, but accounted for 48.9% of the total net capital gains and 44.3% of the total tax payable.

Table 7.4: Net capital gains and CGT of taxable companies¹, by company size, 2004–05 income year

Company size	Companies	Net capital gains	Tax on net capital gains
	No.	\$m	\$m
Loss/nil	308	394	118
Micro	16,207	1,627	488
Small	1,451	691	207
Medium	497	894	262
Large	194	3,445	854
Total²	18,657	7,051	1,929

1 Refers to companies with net tax payable of more than \$0.

2 Totals may differ slightly from the sum of components due to rounding.

As with companies, the majority of taxable funds with net capital gains (99.3%) in 2004–05 were in the micro segment. Yet these funds accounted for only 24.3% of total net capital gains and were liable for only 24.2% of the total tax payable on net capital gains. Large funds, which represented less than 0.1% of all funds, accounted for 60.2% of total net capital gains and 59.9% of the total tax payable.

Table 7.5: Net capital gains and CGT of taxable funds¹, by fund size, 2004–05 income year

Fund size	Funds	Net capital gains	Tax on net capital gains
	No.	\$m	\$m
Loss/nil	0	0	0
Micro	74,740	1,650	248
Small	138	159	24
Medium	130	894	138
Large	67	4,095	614
Total²	75,075	6,797	1,025

1 Refers to funds with net tax payable of more than \$0.

2 Totals may differ slightly from the sum of components due to rounding.

TOTAL CAPITAL GAINS

Statistics for total capital gains and capital losses are sourced from the CGT schedule. Only companies and funds with total capital gains or losses of more than \$10,000 are required to complete a CGT schedule. Individuals, including individual partners in a partnership, who lodge a paper return are not required to complete a CGT schedule. Therefore, as not all entities are required to complete a CGT schedule, the following statistics cannot be directly compared to the statistics reported on net capital gains.

For the 2004–05 income year, 461,713 taxable entities (individuals, companies and funds) declared \$56.4 billion in total current year capital gains on their CGT schedules. Entities had to report capital gains from the following sources on the CGT schedule:

- shares and units (in unit trust)
- real estate
- other CGT assets and other CGT events, and
- collectables.

For 2004–05 approximately 62.3% or \$35.1 billion of total current year capital gains were sourced from shares. Real estate accounted for 19.9% or \$11.2 billion of total current year capital gains, while other assets, including collectables, accounted for 17.8% or \$10.0 billion.

For 2003–04 and 2004–05, only 42.0% and 41.0% respectively of taxable individuals with a net capital gain completed a CGT schedule. The composition of total capital gains reported by these individuals changed significantly from 2003–04 to 2004–05, with the proportion of capital gains amounts from shares increasing from 29.3% to 41.5%, whereas real estate decreased from 53.8% to 39.0%.

Table 7.6: Total current year capital gains of taxable individuals¹, by source, 2003–04 and 2004–05 income years

Source of gains ²	2003–04 ³		2004–05 ³	
	No.	\$m	No.	\$m
Shares	184,865	5,841	243,542	9,790
Real estate	152,903	10,742	128,836	9,199
Other assets ⁴	59,369	3,371	88,241	4,583
Total⁵	342,101	19,954	399,884	23,572

1 Refers to individual taxpayers with net tax payable of more than \$0.

2 Sources include both active and non-active assets.

3 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes other CGT assets, any other CGT events and non-active asset collectables.

5 Components referring to the number of cases do not add to total number of taxable individuals claiming total capital gains as individuals may claim capital gains from more than one source. Dollar amount totals may differ slightly from the sum of components due to rounding.

For 2003–04 and 2004–05, 77.2% and 76.8% respectively of taxable companies with a net capital gain completed a CGT schedule. These companies reported a 30.6% increase in gains from shares in 2004–05.

Table 7.7: Total current year capital gains of taxable companies¹, by source, 2003–04 and 2004–05 income years

Source of gains ²	2003–04 ³		2004–05 ³	
	No.	\$m	No.	\$m
Shares	6,181	6,851	8,375	8,946
Real estate	3,541	1,847	3,056	1,693
Other assets ⁴	3,702	2,027	4,671	2,463
Total⁵	12,112	10,724	14,332	13,102

1 Refers to company taxpayers with net tax payable of more than \$0.

2 Sources include both active and non-active assets.

3 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes other CGT assets, any other CGT events and non-active asset collectables.

5 Components referring to the number of cases do not add to total number of taxable companies claiming total capital gains as companies may claim capital gains from more than one source. Dollar amount totals may differ slightly from the sum of components due to rounding.

For 2003–04 and 2004–05, 55.0% and 63.3% respectively of taxable funds with a net capital gain completed a CGT schedule. The majority of capital gains for these funds in each year were from shares.

Table 7.8: Total current year capital gains of taxable funds¹, by source, 2003–04 and 2004–05 income years

Source of gains ²	2003–04 ³		2004–05 ³	
	No.	\$m	No.	\$m
Shares	24,965	8,202	43,465	16,405
Real estate	2,784	341	2,757	326
Other assets ⁴	5,091	791	9,946	2,970
Total⁵	28,070	9,335	47,497	19,701

1 Refers to fund taxpayers with net tax payable of more than \$0.

2 Sources include both active and non-active assets.

3 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes other CGT assets, any other CGT events and non-active asset collectables.

5 Components referring to the number of cases do not add to total number of taxable funds claiming total capital gains as funds may claim capital gains from more than one source. Dollar amount totals may differ slightly from the sum of components due to rounding.

CAPITAL LOSSES

The statistics for total capital gains and capital losses are sourced from CGT schedules. As not all entities are required to complete a CGT schedule, the following statistics cannot be directly compared to the net capital gains statistics reported.

For the 2004–05 income year, 245,740 taxpayers reported current year capital losses of \$19.3 billion. Losses of \$22.1 billion, including losses from before 2004–05, were used to offset 2004–05 capital gains. The largest losses were claimed by funds.

From 2003–04 to 2004–05 there was an overall decrease of 36.9% in the amount of capital losses entities reported. For the same period, there was an increase of 15.4% in entities applying capital losses against current year capital gains.

Table 7.9: Capital losses, by entity, 2003–04 and 2004–05 income years

Entity	Current year capital losses		2003–04 ¹ Capital losses applied		Current year capital losses		2004–05 ¹ Capital losses applied	
	No.	\$m	No.	\$m	No.	\$m	No.	\$m
Individual								
Taxable ²	139,460	1,687	154,989	1,714	168,240	1,873	182,251	2,139
Non-taxable	18,556	273	19,359	200	20,274	277	20,406	239
<i>Individual total</i> ³	<i>158,016</i>	<i>1,960</i>	<i>174,348</i>	<i>1,914</i>	<i>188,514</i>	<i>2,150</i>	<i>202,657</i>	<i>2,379</i>
Company								
Taxable ²	4,815	12,066	5,243	6,161	5,442	5,120	6,237	4,961
Non-taxable	3,131	3,577	2,645	907	3,084	2,573	2,768	950
<i>Company total</i> ³	<i>7,946</i>	<i>15,643</i>	<i>7,888</i>	<i>7,068</i>	<i>8,526</i>	<i>7,693</i>	<i>9,005</i>	<i>5,911</i>
Fund								
Taxable ²	20,283	10,362	21,574	7,478	30,574	7,041	33,864	10,193
Non-taxable	13,424	2,700	13,739	2,724	18,126	2,465	19,594	3,648
<i>Fund total</i> ³	<i>33,707</i>	<i>13,063</i>	<i>35,313</i>	<i>10,202</i>	<i>48,700</i>	<i>9,506</i>	<i>53,458</i>	<i>13,841</i>
Total ³	199,669	30,666	217,549	19,184	245,740	19,349	265,120	22,131

¹ Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

² Taxable taxpayers are taxpayers with net tax of more than \$0.

³ Totals may differ slightly from the sum of components due to rounding.

SOURCE OF CAPITAL GAINS TAX STATISTICS

Statistics in this chapter are sourced from 2005 and 2004 income tax returns for individuals, companies, trusts and funds, and from 2005 and 2004 CGT schedules completed by individual, company and fund taxpayers, processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken in comparing the statistics for the current year and previous years. As not all personal, company and fund taxpayers have to complete CGT schedules, the statistics sourced from the schedules do not represent all personal, company and fund taxpayers.

Statistics reported in the detailed tables have been updated for the 2002–03 and 2003–04 income years to include returns processed by 31 October 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the CGT schedule is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

LIST OF CAPITAL GAINS TAX DETAILED TABLES

The following CGT detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

Table 1: Net capital gains subject to tax, 1995–96 to 2004–05 income years

This table shows the number of taxable entities with net capital gains, the amount of their net capital gains and the estimated tax payable on these net capital gains (CGT), for income years 1995–96 to 2004–05.

Table 2: Net capital gains subject to tax, by entity and taxable income, 2004–05 income year

This table shows the number of individual, company and fund taxpayers with capital gains, the total number of individual, company and fund taxpayers (or total number of returns lodged by these entities), the proportion of taxpayers with capital gains to the total number of taxpayers, the net capital gains of these entities and the estimated tax payable (CGT) on these net capital gains. These items are ranged by taxable income.

OVERVIEW

For the 2005–06 FBT year:

- FBT payable was \$3.6 billion (excluding FBT payable by Australian Government departments)
- FBT rebates of \$102.5 million were claimed, a 6% increase from 2004–05
- employee contributions reached \$355 million (excluding those made by employees of Australian Government departments).

INTRODUCTION

A fringe benefit is generally a benefit provided in respect of employment. Fringe benefits are provided to employees (or associates of the employees) in place of or in addition to salary or wages. They include any right, privilege, service or facility, for example, the use of a car for private purposes.

Fringe benefits tax (FBT) is the tax paid by employers on fringe benefits. The benefit does not have to be provided directly by the employer for FBT to apply. FBT may still apply if the benefit is provided by an associate of the employer or by a third party under an arrangement with the employer.

Employees generally do not pay income tax on the fringe benefits they receive. FBT is paid by employers, irrespective of whether they are sole traders, partnerships, trusts, corporations, unincorporated associations or government bodies, and irrespective of whether they are liable to pay other taxes such as income tax. The rate of FBT for the 2005–06 FBT year was 48.5%.

Employers can generally claim an income tax deduction for the cost of providing fringe benefits. FBT paid by an employer may also be an allowable income tax deduction.

The FBT year runs from 1 April to 31 March each year, rather than from 1 July to 30 June as is the case for other tax types. For example, the 2005–06 FBT year runs from 1 April 2005 to 31 March 2006. FBT returns must be lodged by 21 May each year, which is a shorter lodgment period than for other tax types. These features of the FBT system enable the reporting of FBT statistics that are one year more recent than the statistics based on other income year return forms, for example, for personal tax.

This chapter primarily reports and discusses FBT statistics for the 2005–06 FBT year.

NEW FEATURES AND INFORMATION

FBT statistics are now provided by industry classifications based on Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 codes. In previous editions of *Taxation Statistics*, FBT was reported using ANZSIC 1993 codes.

FRINGE BENEFITS TAX RETURNS

For the 2005–06 FBT year, 57,615 FBT returns were lodged by entities that paid FBT. The professional, scientific and technical services industry had the most payers, with 17.0%. It was closely followed by the wholesale trade and manufacturing industries, both with around 12.7%.

FRINGE BENEFITS TAX PAYABLE

The FBT payable by an employer is calculated under the gross-up rules by applying the FBT rate to the 'fringe benefits taxable amount'. The tax is generally payable by an employer where an employee has received a fringe benefit.

The amount of FBT payable increased from \$3.4 billion in the 2004–05 FBT year to \$3.6 billion in 2005–06. The health care and social assistance industry had the largest increase in average FBT payable, with the average rising from \$27,106 in 2004–05 to \$38,642 in 2005–06.

Table 8.1: FBT payable¹, by industry, 2004–05 and 2005–06 FBT years

Industry ²	2004–05 ³		2005–06 ³	
	No.	\$m	No.	\$m
Agriculture, forestry & fishing	1,180	22	1,124	24
Mining	798	150	849	179
Manufacturing	7,376	548	7,252	552
Electricity, gas, water & waste services	329	48	334	51
Construction	3,985	124	4,038	126
Wholesale trade	7,380	425	7,304	434
Retail trade	4,403	198	4,375	199
Accommodation & food services	1,631	48	1,623	46
Transport, postal & warehousing	1,683	138	1,666	147
Information media & telecommunications	1,130	139	1,138	144
Financial & insurance services	3,796	449	3,882	470
Rental, hiring & real estate services	2,311	66	2,289	70
Professional, scientific & technical services	9,864	327	9,775	351
Administrative & support services	2,287	127	2,356	132
Public administration & safety	1,135	194	1,125	208
Education & training	1,911	146	1,935	155
Health care & social assistance	3,062	83	2,976	115
Arts & recreation services	700	44	700	46
Other services ⁴	3,096	134	2,874	137
Total⁵	58,008	3,405	57,615	3,585

1 Refers to FBT payable calculated before rebates were deducted. Excludes FBT payable by Australian Government departments.

2 The industry groups are based on the ANZSIC 2006 codes.

3 Data for 2004–05 and 2005–06 FBT years includes data from FBT returns processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes FBT payable by FBT payers who did not state their industry.

5 Totals may differ slightly from the sum of components due to rounding.

FRINGE BENEFITS TAX REBATES

FBT is payable on the grossed-up taxable value of benefits, and an offsetting income tax deduction is allowed for FBT paid. However, certain non-profit employers (such as religious institutions, trade unions, scientific, charitable or public educational institutions) cannot claim the offsetting income tax deductions for FBT. To ensure these employers are not disadvantaged, they are eligible for an FBT rebate of 48%.

For the 2005–06 FBT year, the industry with the largest proportion of employers claiming a rebate was education and training, at 37.8%. Wholesale trade had the highest average rebate claimed, of \$44,444.

Table 8.2: FBT rebates claimed, by industry, 2004–05 and 2005–06 FBT years

Industry ¹	2004–05 ²		2005–06 ²	
	No.	\$m	No.	\$m
Agriculture, forestry & fishing	25	0.2	25	0.2
Manufacturing	12	0.1	22	0.3
Construction	11	0.1	12	0.1
Wholesale trade	19	0.7	18	0.8
Retail trade	8	0.1	11	0.1
Accommodation & food services	293	4.9	302	4.8
Transport, postal & warehousing	7	0.1	7	0.1
Information media & telecommunications	33	0.6	36	0.7
Financial & insurance services	25	0.8	30	1.0
Rental, hiring & real estate services	11	0.3	16	0.3
Professional, scientific & technical services	201	3.9	210	3.9
Administrative & support services	122	2.7	134	3.1
Public administration & safety	28	0.4	38	0.6
Education & training	1,373	43.7	1,406	46.9
Health care & social assistance	116	1.6	120	1.7
Arts & recreation services	287	11.1	299	11.8
Other services ³	1,024	25.8	1,029	26.2
Total⁴	3,595	96.9	3,715	102.5

1 The industry groups are based on the ANZSIC 2006 codes.

2 Data for 2004–05 and 2005–06 FBT years relates to processing of FBT returns up to 31 October 2005 and 31 October 2006, respectively.

3 Includes mining, electricity, gas and water supply industries and entities that did not state their industry.

4 Totals may differ slightly from the sum of components due to rounding.

EMPLOYEE CONTRIBUTIONS

In some circumstances, an employee may make a payment to their employer as a contribution towards the cost of providing fringe benefits. These payments are referred to as 'employee contributions'. Employee contributions generally reduce the taxable value of a fringe benefit by the full amount of the contribution. Employee contributions are assessable income of the employer.

For the 2005–06 FBT year, employers had to report employee contributions for motor vehicles, expense payments, housing, airline transport, board, property, other benefits and car parking.

For both 2004–05 and 2005–06, the industry with the largest average employee contribution was public administration and safety, with contributions of \$111,628 and \$136,432 for the respective years. The professional, scientific and technical services industry had the largest proportion of contributors in 2005–06, at 15.6%.

Table 8.3: Employee contributions¹, by industry, 2004–05 and 2005–06 FBT years

Industry ²	2004–05 ³		2005–06 ³	
	No	\$m	No	\$m
Agriculture, forestry & fishing	213	2	215	2
Mining	139	6	176	6
Manufacturing	1,550	51	1,568	55
Electricity, gas, water & waste services	102	3	99	3
Construction	793	13	808	9
Wholesale trade	1518	27	1,564	23
Retail trade	1188	29	1,224	30
Accommodation & food services	280	3	298	3
Transport, postal & warehousing	365	7	357	9
Information media & telecommunications	183	2	224	4
Financial & insurance services	755	20	824	23
Rental, hiring & real estate services	444	6	471	6
Professional, scientific & technical services	1,910	21	2,024	35
Administrative & support services	506	7	540	8
Public administration & safety	645	72	667	91
Education & training	592	18	615	22
Health care & social assistance	580	11	551	15
Arts & recreation services	148	2	150	4
Other services ⁴	643	7	603	8
Total⁵	12,554	306	12,978	355

1 Excludes employee contributions made by employees of Australian Government departments.

2 The industry groups are based on the ANZSIC 2006 codes.

3 Data for 2004–05 and 2005–06 FBT years includes data from FBT returns processed up to 31 October 2005 and 31 October 2006 respectively.

4 Includes FBT employee contributions where the industry was not stated.

5 Totals may differ slightly from the sum of components due to rounding.

The highest proportion of employee contributions was for cars – statutory, with 74.7% of contributors and 74.4% of the total \$355.0 million contributed. Other benefits had the largest average contribution, with \$42,048 in 2004–05 and \$44,014 in 2005–06.

Company, partnership and trust employers also report fringe benefit contributions received from their employees on their annual income tax returns. Some company, partnership and trust tax detailed tables may contain statistics on fringe benefit employee contributions for the 2004–05 FBT year.

Table 8.4: Employee contributions¹, by type, 2004–05 and 2005–06 FBT years

Type of employee contribution	2004–05 ²		2005–06 ²	
	No.	\$m	No.	\$m
Cars – statutory	9,340	220	9,698	264
Other benefits	547	23	568	25
Cars – operating cost	3,216	17	3,314	19
Expense payments	1,311	17	1,325	18
Housing	563	16	544	17
Property	191	6	210	5
Car parking	276	5	295	5
Airline transport	49	1	50	2
Board	29	1	28	1
Total³	12,554	306	12,978	355

1 Excludes employee contributions made by employees of Australian Government departments.

2 Data for 2004–05 and 2005–06 FBT years includes data from FBT returns processed up to 31 October 2005 and 31 October 2006 respectively.

3 Components referring to the number of cases do not add to total contributions as employers may report more than one type of employee contribution. Dollar amount totals may differ slightly from the sum of components due to rounding.

SOURCE OF FRINGE BENEFITS TAX STATISTICS

The statistics in this chapter are sourced from 2006 and 2005 FBT returns processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken when comparing the statistics for the current year and previous years.

Statistics in the detailed tables have been updated for the 2003–04 and 2004–05 FBT years to include returns processed by 31 October 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the FBT return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

LIST OF FRINGE BENEFITS TAX DETAILED TABLES

The following FBT detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

The items referred to in the detailed tables are items declared on the 2006 FBT return. A copy of the return is in the appendix.

Table 1: FBT payers, by FBT payable, 2005–06 FBT year

This table shows the number of FBT payers, ranged by FBT payable, for the 2005–06 FBT year.

Table 2: FBT payable and FBT rebates, by broad industry, 2005–06 FBT year

This table shows FBT payable, FBT rebates claimed and net FBT payable, by broad industry groupings, for the 2005–06 FBT year.

Table 3: Number of FBT payers and value of benefit, by type of benefit and broad industry, 2005–06 FBT year

This table shows the number of FBT payers and the value of benefits, in different broad industries that provided different types of benefits, for the 2005–06 FBT year.

Table 4: Employee contributions, by type of benefit and broad industry, 2005–06 FBT year

This table shows amounts of employee contributions that entities (companies, partnerships, trusts, individuals and others), classified by broad industry groupings, received from their employees for different types of benefits (motor vehicle, expense payments, housing, board, airline transport, property, car parking and other (residual)) for the 2005–06 FBT year.

Table 5: Selected items for 1996–97 to 2005–06 FBT years

This table shows the number of FBT payers, FBT payable, FBT rebates claimed and net FBT for the 1996–97 to 2005–06 FBT years.

Table 6: Fringe benefits, by benefit type, 2003–04 to 2005–06 FBT years

This table shows the number of FBT payers and the benefit value amounts, by type of benefit, for the 2003–04 to 2005–06 FBT years.

OVERVIEW

For the 2004–05 income year:

- over \$2.1 billion was paid in transfers through the tax system for the benefit of families and individuals
- there was a 10.1% increase in the amount of research and development tax offset claimed compared to 2003–04.

INTRODUCTION

This chapter provides information on payments and transfers as reported on individual and company tax returns. It also covers a range of payments and transfers made through the tax system. Several of these payments provide assistance to families and individuals, such as the first child tax offset, family tax benefit and the private health insurance rebate. The research and development tax offset and the film and television tax offset provide targeted assistance to industry.

The private health insurance rebate, the first child tax offset, the research and development tax offset and the film and television tax offset are refundable. This means that these offsets are not limited to the amount of tax payable.

Other payments made by the Tax Office are energy grant scheme payments (see chapter 12) and superannuation co-contribution payments (see chapter 13).

NEW FEATURES AND INFORMATION

Statistics for the 2004–05 income year reported in this chapter may have been affected by the following changes:

- First child tax offset – no new claims can be made for a first child for whom legal responsibility is taken from 1 July 2004 onwards. Ongoing (or new) claims relating to a first child for whom legal responsibility was taken between 1 July 2001 and 30 June 2004 can still be made.
- Family tax benefit (FTB) – there were changes to FTB part A and FTB part B:
 - Part A – from 1 July 2004 the taper rate that applied to the maximum FTB part A was decreased from 30 cents to 20 cents for every extra dollar of income over the maximum rate threshold.
 - Part B – from 1 July 2004 the amount a secondary earner can earn each year before their FTB part B starts to be reduced was increased to \$4,000, and the taper rate at which FTB part B is withdrawn once this income limit is exceeded was decreased from 30 cents to 20 cents for every extra dollar of income. A part B lump sum payable on reconciliation of a claim was added, and applied from 1 January 2005.
- Private health insurance rebate – from 1 April 2005 the private health insurance rebate increased to 35% if the policy covers a person aged from 65 to 69, and to 40% if the person is 70 or older.
- Film and television tax offset – expenditure incurred on a television series from 1 July 2004 became eligible for the tax offset.

FIRST CHILD TAX OFFSET

The first child tax offset applies for the first child for whom legal responsibility was taken between 1 July 2001 and 30 June 2004, and can be claimed each year until the child is five years old. The first child tax offset is not available for the first child after 1 July 2004. The offset is refundable, which means it is not limited to the amount of tax payable. Claims for the first child tax offset can be made up until 30 June 2014.

For the 2004–05 income year, personal taxpayers claimed \$268.0 million in first child tax offsets. This is an average of \$671 per claim, an increase on the \$579 average for 2003–04.

The main reason for the increased average was due to there being no new claims for a first child for whom legal responsibility is taken from 1 July 2004 onwards. New or first-year claims for the first child tax offset are mainly part-year claims and thus have a lower average claim than continuing (second and subsequent years) claims. So as there were no new claims for 2004–05, the average claim was significantly higher.

Table 9.1 First child tax offset claimed, 2003–04 and 2004–05 income years

	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Total	424,417	247	400,236	268

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

FAMILY TAX BENEFIT

FTB commenced on 1 July 2000. There are two main payment types – FTB part A and FTB part B. For payments through the tax system, FTB is paid as an annual entitlement or as a year-end reconciliation credit. For payments through the tax system, the average entitlement and the average reconciliation credit for the 2004–05 income year increased by 12.0% and 18.2% respectively. The number of individuals receiving an entitlement or reconciliation credit increased by 14.1% and 30.8% respectively.

These increases were largely due to:

- the introduction of the FTB part B supplement
- the full-year tax system processing of FTB part A supplements for 2004–05 compared to delayed processing of part A supplements for 2003–04. For 2003–04, part A supplements were paid by Centrelink only until early September 2004, and
- the *More choice for families* measure potentially improving the accuracy of families' annual income estimation, raising year-end reconciliation payments.

Table 9.2: Family tax benefit¹ claims, by type, 2003–04 and 2004–05 income years

Type of FTB claim	2003–04 ²		2004–05 ²	
	No.	\$m	No.	\$m
Entitlement ³	117,203	345	133,750	441
Reconciliation credit ⁴	557,099	838	728,880	1,296
Reconciliation debit ⁵	57,634	34	80,595	50
Consent debt ⁶	860	<1	1,237	1

1 Includes FTB part A, FTB part B and the FTB part A and part B supplements, where applicable.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 This amount represents FTB entitlement claims made through the tax system.

4 This amount represents the top-ups (on reconciliation) paid by the Tax Office.

5 This amount is FTB debt that has been offset by income tax refunds of a taxpayer.

6 This amount is FTB debt that has been offset by income tax refunds of a taxpayer's consenting spouse.

Table 9.3 Family tax benefit entitlement claims, by family adjusted taxable income, 2004–05 income year

Family adjusted taxable income ¹	Taxpayers ² No.	FTB amount ³	Average
		\$m	\$
<\$10,000	2,553	20.0	7,815
\$10,000 to <\$20,000	2,785	18.7	6,718
\$20,000 to <\$30,000	4,367	26.8	6,144
\$30,000 to <\$40,000	6,698	37.6	5,618
\$40,000 to <\$50,000	9,192	39.4	4,288
\$50,000 to <\$60,000	12,273	44.2	3,602
\$60,000 to <\$70,000	15,889	51.9	3,269
\$70,000 to <\$80,000	19,984	61.6	3,082
\$80,000 to <\$90,000	23,802	66.9	2,811
\$90,000 to <\$100,000	15,564	34.0	2,187
\$100,000 to <\$125,000	10,652	20.0	1,875
\$125,000 to <\$150,000	3,749	7.3	1,947
\$150,000 and over	6,248	12.7	2,029
Total	133,756	441.2	3,298

1 Family adjusted taxable income is the combined amount of a taxpayer's adjusted taxable income and their spouse's adjusted taxable income (if they had a spouse).

2 A low number of claimants had multiple spouses during the income year. In these cases, each family is included in its respective income range.

3 Includes FTB part A, FTB part B and the FTB part A and part B supplements, where applicable.

PRIVATE HEALTH INSURANCE REBATE

The private health insurance rebate was introduced in 1999–00 to replace the private health insurance incentive scheme. The rebate is calculated as a percentage of the premium paid to a registered health fund for appropriate private health insurance cover. The percentage of rebate paid is determined by the age of the oldest person covered by the policy as 30%, 35% or 40% of the premium paid. The rebate is not affected by the level of a taxpayer's income.

The rebate can be claimed as:

- a reduced private health insurance premium through the health fund
- a cash or cheque rebate from Medicare
- a refundable tax offset at the end of the income year through the tax return, or
- a combination of all options – each for a different period during the year.

The Tax Office can provide statistics only on the refundable tax offset claimed through tax returns. For the 2004–05 income year, 285,011 taxpayers claimed an average rebate of \$593 through the tax system. For the same period in 2003–04, an extra 8.4% of people claimed a rebate through the tax system and the average rebate was \$528.

Table 9.4: Private health insurance rebate, 2003–04 and 2004–05 income years

	2003–04 ¹		2004–05 ¹	
	No.	\$m	No.	\$m
Total	308,821	163	285,011	169

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

The highest proportion of taxpayers claiming a rebate through the tax system had a taxable income in the \$21,601 to \$58,000 range. Their average claim was \$530.

Table 9.5: Private health insurance rebate, by taxable income, 2004–05 income year

Taxable income	Taxpayers	Amount claimed
	No.	\$m
\$0–\$6,000	6,375	3
\$6,001–\$21,600	26,279	11
\$21,601–\$58,000	129,244	68
\$58,001–\$70,000	42,566	28
\$70,001 or more	80,547	59
Total	285,011	169

RESEARCH AND DEVELOPMENT TAX OFFSET

The research and development (R&D) tax offset is equivalent to the value of the deduction available under the R&D tax concession provisions. The tax offset is available to small companies, those with a group turnover under \$5 million and grouped R&D expenditure of up to \$1 million for the year. The 175% premium is available for additional investment in R&D, focused on labour-related R&D expenditure.

The R&D tax concession is administered jointly by the Industry Research and Development Board (through AusIndustry) and the Tax Office.

Less than 1.0% of companies claimed the R&D tax offset for the 2004–05 income year. The average claim was \$107,826, an increase on the 2003–04 average of \$103,007.

Table 9.6: Research and development tax offset, 2003–04 and 2004–05 income years

Industry ¹	2003–04 ²		2004–05 ²	
	No.	\$m	No.	\$m
Agriculture, forestry & fishing	74	8	83	8
Mining	28	4	42	7
Manufacturing	677	70	672	70
Electricity, gas & water supply	10	2	10	2
Construction	45	4	43	5
Wholesale trade	95	9	117	12
Retail trade	68	5	66	6
Accommodation, cafes & restaurants	5	<1	0	0
Transport & storage	11	1	20	1
Communication	45	4	51	6
Finance & insurance	42	4	47	6
Property & business services	933	97	998	110
Education	16	2	17	2
Health & community services	25	3	23	2
Cultural & recreational services	18	2	13	2
Personal & other services	15	2	16	2
Other ³	5	<1	5	<1
Total	2112	217	2,223	239

1 The industry groups are based on the Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993 codes.

2 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

3 Includes companies lodging under the 'Nil company returns' code, which includes non-taxable companies or companies with nil company returns – no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

FILM AND TELEVISION TAX OFFSET

The refundable film and television tax offset was introduced in 2001–02 to provide an incentive for large budget productions to locate in Australia. It is available for the production of telemovies and mini series as well as films. The Department of Communications, Information Technology and the Arts administers the incentive.

The tax offset provides a benefit worth 12.5% of qualifying Australian production expenditure. The key criterion to access the offset is a minimum level of qualifying Australian production expenditure of \$15 million. Once this criterion is satisfied, there are two categories:

- Australian production expenditure between \$15 million and \$50 million requires 70% of the total film expenditure to be on film production activity in Australia, and
- Australian production expenditure above \$50 million automatically qualifies for the offset, regardless of the proportion of Australian expenditure to the overall film budget.

The offset is provided to the production company through its tax return. Any excess over other tax liabilities is refunded.

Table 9.7: Film and television tax offset, 2003–04 and 2004–05 income years

	2003–04 ¹	2004–05 ¹
	\$m	\$m
Total	35	11

1 Data for 2003–04 and 2004–05 income years includes data processed up to 31 October 2005 and 31 October 2006 respectively.

SOURCE OF PAYMENT AND TRANSFER STATISTICS

The statistics in this chapter are sourced from 2005 and 2004 individual and company income tax returns processed by 31 October 2006 and 31 October 2005 respectively. The statistics reported are not necessarily complete as the proportion of tax returns processed by 31 October each year can vary. Care should be taken when comparing the statistics for the current year and previous years.

Statistics reported in the detailed table have been updated for the 2002–03 and 2003–04 income years to include returns processed by 31 October 2006. The statistics cannot be compared to previous editions of *Taxation Statistics*. Care should be taken when comparing these statistics to the current year due to the differences in return processing times.

PAYMENTS AND TRANSFERS DETAILED TABLE

The following detailed table is on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The table may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

Table 1: Family tax benefit claims, by type, 2000–01 to 2004–05 income years

This table shows the number and value of FTB claims made through the tax system, by entitlement, reconciliation credit, reconciliation debit and consent debit, for the 2000–01 to 2004–05 income years.

OVERVIEW

For the 2005–06 financial year:

- total net GST liabilities (including Customs collections) increased by 5.3% to \$37.3 billion, up from \$35.5 billion in 2004–05
- wine equalisation tax liabilities (including Customs collections) decreased by less than 0.5% from the previous year to \$663.0 million
- luxury car tax liabilities (including Customs collections) increased by 7.3% to \$322.4 million.

INTRODUCTION

This chapter provides a general description of goods and services tax (GST), wine equalisation tax (WET) and luxury car tax (LCT). It reports liabilities incurred during the 2005–06 financial year as reported on business activity statements and other forms.

GST is a tax of 10% on the supply of most goods and services and other taxable supplies (for example, real property and rights) in Australia, including items that are imported. In most cases, GST does not apply to exports of goods or services, or other items consumed outside Australia.

GST is administered by the Tax Office on behalf of the Australian Government, and is appropriated to the states and territories. The Australian Government funds the Tax Office to administer GST, and is reimbursed by the states and territories. The Australian Customs Service (Customs) collects GST on taxable importations that are not subject to the deferred GST scheme.

NEW FEATURES AND INFORMATION

GST statistics for this edition are provided on a liabilities basis as reported on business activity statements.

GST statistics are now provided by industry classifications based on Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 codes. In previous editions of *Taxation Statistics*, GST was reported using ANZSIC 1993 codes. The change will cause a break in the time series data from 2005–06 onwards.

GST LIABILITIES

Box 10.1: Calculating net GST liabilities

Net GST is calculated as:

	Gross GST payable
add	Deferred GST payments on imports
less	Input tax credits
<i>gives</i>	<i>Net GST</i>

If net GST is more than \$0, the net difference is payable to the Tax Office.

If net GST is less than \$0, the net difference can be claimed as a refund.

Note: Net GST can also be affected by increasing and decreasing adjustments.

From 2004–05 to 2005–06, the most noticeable change in GST liabilities was an increase in the construction industry, reflecting strength in the building sector. The other major change was the increase in negative GST liabilities under the mining and public administration and safety industries, reflecting an increase in the input tax credits claimed for these industries.

Table 10.1: Net GST liabilities¹, by industry, 2004–05 and 2005–06 financial years

Industry ²	2004–05 ³		2005–06 ³	
	\$m	%	\$m	%
Agriculture, forestry & fishing	70	0.2	-21	-0.1
Mining	-1,786	-5.4	-2,498	-7.2
Manufacturing	6,161	18.6	6,440	18.5
Electricity, gas, water & waste services	566	1.7	552	1.6
Construction	3,493	10.5	4,196	12.0
Wholesale trade	7,352	22.2	7,927	22.7
Retail trade	2,273	6.9	2,227	6.4
Accommodation & food services	2,269	6.8	2,366	6.8
Transport, postal & warehousing	1,787	5.4	1,916	5.5
Information media & telecommunications	2,152	6.5	2,156	6.2
Financial & insurance services	4,859	14.7	5,412	15.5
Rental, hiring & real estate services	2,513	7.6	2,741	7.9
Professional, scientific & technical services	4,242	12.8	4,820	13.8
Administrative & support services	2,125	6.4	2,272	6.5
Public administration & safety	-6,515	-19.7	-7,237	-20.8
Education & training	113	0.3	115	0.3
Health care & social assistance	-689	-2.1	-810	-2.3
Arts & recreation services	748	2.3	789	2.3
Other services	1,077	3.2	1,190	3.4
Unknown ⁴	331	1.0	318	0.9
<i>Tax Office GST liabilities</i>	<i>33,142</i>	<i>100</i>	<i>34,873</i>	<i>100</i>
Customs collections ⁵	2,312		2,456	
Total net GST	35,454		37,329	

1 Excludes penalties and interest on overpayments.

2 Industry classifications are those provided by taxpayers on their ABN application. Some taxpayers operate in multiple industries, but they are included in only the one broad industry group they chose on their ABN application. Industry classifications are based on ANZSIC 2006 codes.

3 Sales tax credits could no longer be deducted from gross GST payable to calculate net GST liabilities for either year.

4 Includes entities that stated 'Other' industries and entities that did not state their industry.

5 Customs collects GST on taxable importations that are not subject to the deferred GST scheme.

INPUT TAX CREDITS

An input tax credit (or GST credit) is an amount a registered entity is entitled to claim to offset the GST paid on inputs the entity acquires to use in its enterprise. However, if a registered entity acquires a supply for private use and/or to make input taxed supplies, it cannot claim an input tax credit.

For the 2005–06 financial year, the wholesale trade industry claimed the largest amount of input tax credits, at 13.2%. It also had the largest percentage of deferred GST payments on imports, at 41.9%.

Table 10.2: GST, input tax credits and deferred GST liabilities¹ on imports, by industry, 2005–06 financial year

Industry ²	Gross GST payable \$m	Input tax credits \$m	Deferred GST payments on imports \$m	Net GST \$m
Agriculture, forestry & fishing	4,623	4,680	36	-21
Mining	4,963	8,281	819	-2,498
Manufacturing	23,966	21,486	3,960	6,440
Electricity, gas, water & waste services	4,430	3,893	15	552
Construction	17,806	13,765	154	4,196
Wholesale trade	23,379	21,885	6,433	7,927
Retail trade	23,069	21,814	972	2,227
Accommodation & food services	5,213	2,866	18	2,366
Transport, postal & warehousing	8,254	6,830	493	1,916
Information media & telecommunications	5,501	3,440	96	2,156
Financial & insurance services	22,200	17,785	998	5,412
Rental, hiring & real estate services	10,015	7,866	593	2,741
Professional, scientific & technical services	12,973	8,471	318	4,820
Administrative & support services	4,476	2,229	25	2,272
Public administration & safety	2,805	10,146	103	-7,237
Education & training	1,713	1,656	58	115
Health care & social assistance	2,466	3,286	11	-810
Arts & recreation services	2,023	1,250	16	789
Other services	4,068	2,936	58	1,190
Unknown ³	900	1,743	162	319
<i>Tax Office GST liabilities</i>	<i>185,842</i>	<i>166,307</i>	<i>15,338</i>	<i>34,873</i>
Customs collections ⁴				2,456
Total				37,329

1 Excludes penalties and interest on overpayments.

2 Industry classifications are those provided by taxpayers on their ABN application. Some taxpayers operate in multiple industries, but are included in only the one broad industry group they chose on their ABN application. Industry classifications are based on ANZSIC 2006 codes.

3 Includes entities that stated 'Other' industries and entities that did not state their industry.

4 Customs collects GST on taxable importations that are not subject to the deferred GST scheme.

WINE EQUALISATION TAX

From 1 July 2000, sales tax on wine and certain other alcoholic beverages was replaced with GST, wine equalisation tax and an increase in excise and customs duty on beer, spirits, liqueurs and other beverages containing alcohol. Wine equalisation tax was designed to maintain the price relativities between cask wine and full-strength packaged beer purchased for consumption away from licensed premises.

Table 10.3: Wine equalisation tax liabilities, 2004–05 and 2005–06 financial years

Amount paid	2004–05		2005–06	
	\$m	%	\$m	%
\$0–\$100,000	–8	–1.2	–30	–4.6
\$100,000–\$499,999	27	4.1	26	3.9
\$500,000–\$999,999	17	2.5	23	3.5
\$1,000,000–\$4,999,999	102	15.5	87	13.2
\$5,000,000 or more	522	79.1	551	83.9
<i>Tax Office WET liabilities</i> ¹	660	100	656	100
Customs collections ²	5		7	
Total ³	666		663	

1 Processed liabilities at 31 October 2006, by amount sent to the Tax Office.

2 Customs collects wine equalisation tax on taxable importations.

3 Totals may differ slightly from the sum of components due to rounding.

LUXURY CAR TAX

From 1 July 2000, sales tax on luxury cars was replaced by GST and luxury car tax. Like wine equalisation tax, luxury car tax was designed to maintain price relativities. It ensured that the price of luxury cars fell by about the same amount as the price of cars just under the luxury car tax threshold following the removal of sales tax and the introduction of GST.

For the 2005–06 financial year, there was a 7.3% increase in total luxury car tax liabilities. There was an increase of 7.9% increase in the amount paid in the \$1,000,000–\$4,999,999 range, and an increase of 14.1% in the amount paid in the \$5,000,000 or more range.

Table 10.4: Luxury car tax liabilities, 2004–05 and 2005–06 financial years

Amount paid	2004–05		2005–06	
	\$m	%	\$m	%
\$0–\$999,999	14	4.6	14	4.5
\$100,000–\$499,999	35	11.5	28	8.8
\$500,000–\$999,999	18	6.2	21	6.5
\$1,000,000–\$4,999,999	140	46.9	151	47.3
\$5,000,000 or more	92	30.8	105	32.9
<i>Tax Office LCT liabilities</i> ¹	299	100	320	100
Customs collections ²	1		3	
Total ³	300		322	

1 Processed liabilities at 31 October 2006, by amount sent to the Tax Office.

2 Customs collects luxury car tax on taxable importations.

3 Total amount may differ slightly from the sum of components due to rounding.

SOURCE OF GST STATISTICS

The statistics in this chapter are sourced from 2005 and 2004 GST, wine equalisation tax and luxury car tax liabilities reported on business activity statements, GST annual returns and information reports as at 31 October 2006. The Customs collection statistics in this chapter are provided by the Australian Customs Service.

A copy of the business activity statement is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au

GST DETAILED TABLE

The following detailed table on selected GST, wine equalisation tax and luxury car tax items for the 2000–01 to 2005–06 financial years is on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The table may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

Table 1: Selected GST, wine equalisation tax and luxury car tax items, 2000–01 to 2005–06 financial years

This table shows selected GST, wine equalisation tax and luxury car tax items for the 2000–01 to 2005–06 financial years.

OVERVIEW

For the 2005–06 financial year:

- total excise liabilities were \$21.8 billion
- excise clearances for crude oil totalled \$330.0 million, a decrease of 49.0% from 2004–05.

INTRODUCTION

Excise duty is levied on certain goods manufactured or produced in Australia. These goods are refined petroleum products, tobacco, alcohol (spirits and beer, but not wine) and crude oil.

Excise duties applied to tobacco and alcohol are increased in February and August each year, in line with upward movements in the consumer price index. Indexation is not applied to petroleum products. Excise duty is applied to crude oil on an *ad valorem* tax basis. The excise liability is calculated by applying marginal rates to the volume weighted average realised (VOLWARE) price.

Taxpayers self-assess their excise duty liability. The Tax Office helps manufacturers, producers and dealers in excisable goods to meet their obligations.

For the purpose of this publication, excise revenue is recorded as the products are cleared for home consumption.

For products such as tobacco, alcohol and petroleum, the time difference between the goods being cleared and the receipt of payment is approximately one week. For crude oil, payment is made on or before the last working day of the month following the month in which it was cleared.

NEW FEATURES AND INFORMATION

Excise revenue is recognised when the product is cleared for home consumption. Excise data has been changed to report these clearances as they are incurred during the year and not when the collections are received.

EXCISE LIABILITIES

Excise liabilities for the 2005–06 financial year totalled \$21.8 billion, decreasing \$175.0 million from 2004–05. The 0.8% decrease was mainly attributed to the crude oil production shortfalls in key oil and gas development sites.

Table 11.1: Excise liabilities, by commodity, 2004–05 and 2005–06 financial years

Commodity	2004–05 ¹		2005–06 ¹	
	\$m	%	\$m	%
Petroleum	13,600	62.2	13,593	62.5
Tobacco	5,293	23.8	5,290	24.3
Beer	1,663	7.6	1,739	8.0
Spirits	735	3.4	808	3.7
Crude oil	646	3.1	330	1.5
Total	21,936	100	21,761	100

¹ Data for the 2004–05 financial year includes data processed relating to goods cleared in 2004–05. Similarly, the 2005–06 financial year includes all data processed relating to clearances in 2005–06.

REFINED PETROLEUM PRODUCTS

Petroleum excise is levied on a variety of petroleum products. These include gasoline (petrol), diesel, kerosene, heating oil, fuel oil, condensate and stabilised crude (if used as a fuel), topped crude oil, other refined or partly refined products and petroleum-based oils. Petroleum excise also applies to certain non-petroleum-based fuels, including ethanol and biodiesel.

The excise rate depends on the type of product and its end use. For instance, fuel used in an internal combustion engine (in a car or truck) attracts a different rate to fuel used in a burner application.

For the 2005–06 financial year, excise liabilities from petroleum products remained stable at \$13.6 billion, compared to the previous year. The total quantity produced in 2005–06 increased slightly by 1.3%, with an increase of 3.0% in diesel and a decrease of 1.3% in petrol. The fall in petrol production is a reflection on rising oil and petrol prices, and possibly an increase in the number of people looking for more ‘environmentally friendly’ fuel sources.

Table 11.2: Quantities of petroleum products subject to excise, 2004–05 and 2005–06 financial years

Product	2004–05 ¹	2005–06 ¹
	Megalitres ^{2,3}	Megalitres ^{2,3}
Petrol – unleaded, leaded and lead replacement petroleum	19,333	19,079
Diesel	15,558	16,023
Other petroleum products		
Fuel oil	309	371
Heating oil	47	48
Aviation gasoline	94	88
Aviation kerosene	2,164	2,218
Kerosene	33	47
Oils and greases	393	377
Other refined petroleum products	101	274
Total⁴	38,030	38,526
Non-petroleum-based fuels ⁵	27	68

¹ Data for 2004–05 financial year includes data processed relating to goods cleared in 2004–05. Similarly, the 2005–06 financial year includes all data processed relating to clearances in 2005–06.

² Units do not include excise-free products.

³ A megalitre equals 1 million litres.

⁴ Totals may differ slightly from the sum of components due to rounding.

⁵ Includes ethanol and biodiesel.

TOBACCO

Tobacco manufacturers in Australia pay excise duty on locally manufactured cigarettes and tobacco products. Customs duty applies to imported tobacco products.

Excise liabilities on cigarette sticks and other tobacco products remained stable at \$5.3 billion, relative to the previous year. The quantities of cigarettes subject to excise duty fell 2.8% from the previous year to 22.3 billion sticks.

Table 11.3: Quantities of tobacco products subject to excise, 2004–05 and 2005–06 financial years

Tobacco	Unit	2004–05 ¹	2005–06 ¹
Cigarettes	Million sticks	22,918	22,281
Tobacco	Kilograms	550,000	570,000

¹ Data for 2004–05 financial year includes data processed relating to goods cleared in 2004–05. Similarly, the 2005–06 financial year includes all data processed relating to clearances in 2005–06.

ALCOHOL

Australian manufacturers, distillers, brewers and distributors of alcoholic beverages not subject to wine equalisation tax have a responsibility under the *Excise Act 1901* and *Excise Tariff Act 1921* to pay excise duty.

Excise duty applies to:

- beer (except home brew, which is not subject to excise)
- spirits such as brandy, rum and vodka (unless the spirit is purchased for an approved purpose under the concessional spirits scheme)
- liqueurs, and
- other alcoholic beverages not subject to wine equalisation tax.

In 2005–06 excise liabilities from alcohol products (beer and spirits) increased by 6.2% from the previous year to \$2.5 billion.

Beer

Excise duty rates applying to beer vary according to alcohol content and container size. The duty-free threshold for beer is 1.15% alcohol content.

Spirits

Spirits manufactured in Australia are generally subject to excise duty but under some circumstances the duty may be waived.

Table 11.4: Quantities of alcohol products subject to excise, 2004–05 and 2005–06 financial years

Alcohol	2004–05 ¹ Megalitres ²	2005–06 ¹ Megalitres ²
Beer	51	52
Spirits		
Other spirits	3	3
Brandy	1	1
Ready-to-drink beverages	15	17
Total³	70	73

1 Data for 2004–05 financial year includes data processed relating to goods cleared in 2004–05. Similarly, the 2005–06 financial year includes all data processed relating to clearances in 2005–06.

2 A megalitre equals 1 million litres.

3 Totals may differ slightly from the sum of components due to rounding.

CRUDE OIL

Crude oil excise applies to all onshore stabilised crude petroleum oil (a free rate applies for the first 30 million barrels) and crude produced from fields within certain permit areas in the North-West Shelf, where that field has reached total accumulated production of 30 million barrels. Crude oil from offshore areas located outside the North-West Shelf permit zones is subject to petroleum resource rent tax.

The calculation of crude oil excise liability is essentially a two-step process. Firstly, marginal rates are applied to production. The marginal rates and thresholds used depend on whether the oil field in question is classified as 'old', 'new' or 'intermediate'. The excise liability is calculated by applying marginal rates to the VOLWARE price. The VOLWARE price is a price per kilolitre calculated by incorporating volume of production, current oil price and exchange rate.

Once marginal rates have been applied to production, the VOLWARE price is used to determine the crude oil excise liability for the month. This price is determined each month by the Tax Office.

SOURCE OF EXCISE STATISTICS

The statistics reported in this chapter are sourced from excise returns for products cleared for home consumption during 2005–06.

EXCISE DETAILED TABLE

The following detailed table on excise is on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The table may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

Table 1: Excise collections, 1996–97 to 2005–06 financial years

This table shows excise from beer, spirits, tobacco, petroleum and crude oil for the 1996–97 to 2005–06 financial years.

OVERVIEW

For the 2005–06 financial year:

- total off-road grants paid under the energy grants credits scheme increased by 1.4% from 2004–05 to \$2.6 billion
- total on-road grants paid under the energy grants credits scheme increased by 2.4% from 2004–05 to \$924.1 million
- grants paid under the fuel sales grants scheme decreased by 3.1% from 2004–05 to \$250.5 million
- total benefits paid under the product stewardship for oil program increased by 6.3% from 2004–05 to \$17.1 million
- grants totalling around \$22.0 million were paid under the cleaner fuels grants scheme.

INTRODUCTION

Excise duty is levied on petroleum products that are produced in Australia and an equivalent rate of customs duty is levied on petroleum products imported into Australia. To assist the competitiveness of Australian businesses, four grant or benefit schemes are available to businesses. The four schemes are the:

- energy grants credits scheme (off-road and on-road)
- fuel sales grants scheme
- product stewardship for oil program, and
- cleaner fuels grants scheme.

This chapter contains statistics on grants or benefits paid under these four schemes for the 2005–06 financial year.

NEW FEATURES AND INFORMATION

Energy grants credits scheme statistics are now provided by industry classifications based on Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 codes. In previous editions of *Taxation Statistics*, ANZSIC 1993 codes were used. This change will cause a break in the time series data from 2005–06 onwards.

ENERGY GRANTS CREDITS SCHEME (OFF-ROAD ACTIVITY)

Under the energy grants credits scheme (off-road), an energy grant is paid. It is equivalent to the excise and customs duty paid on diesel and like fuels purchased for specific off-road qualifying uses (off-road credits). The primary purpose of the scheme is to maintain competitiveness in key export industries, such as mining and agriculture, forestry and fishing.

For the 2005–06 financial year, there was an increase of 1.4% in the amount of energy grants paid for off-road credits, with the number of claims increasing by 3.8%. The biggest variation was in the government sector, with a 12.6% decrease from 2004–05.

Table 12.1: Energy grants paid for off-road credits, by entity, 2004–05 and 2005–06 financial years

Entity	2004–05		2005–06	
	\$m	%	\$m	%
Company	1,872	72.9	1,914	73.4
Partnership	324	12.6	330	12.7
Government	151	5.9	132	5.0
Individual	55	2.1	57	2.2
Other ¹	167	6.5	174	6.7
Total²	2,569	100	2,606	100

¹ 'Other' includes trusts and superannuation funds.
² Totals may differ slightly from the sum of components due to rounding.

The rail transport industry had the largest increase, with 26.0% more claims paid, yet the actual amount paid decreased by 1.7%. The mining industry received 50.3% of total energy grants paid for 2005–06.

Table 12.2: Energy grants paid for off-road credits, by industry/operation, 2004–05 and 2005–06 financial years¹

Industry/operation	2004–05		2005–06	
	No.	\$m	No.	\$m
Agriculture	177,627	583	187,247	608
Forestry	6,938	54	7,276	56
Fishing	6,959	92	6,400	83
Mining	9,620	1,254	7,991	1,312
Specified industrial processes	473	57	519	39
Generating electricity	3,042	17	3,170	20
Rail transport	526	291	663	286
Marine transport	5,859	173	5,784	173
Nursing & medical	227	2	188	1
Burner	578	46	617	27
Total²	211,849	2,569	219,855	2,606

1 Claims processed during the period may not necessarily relate to fuel purchased during the same period.

2 Totals may differ slightly from the sum of components due to rounding.

ENERGY GRANTS CREDITS SCHEME (ON-ROAD ACTIVITY)

Under the energy grants credits scheme (on-road), an energy grant is paid for the on-road use (on-road credits) of fuel by businesses and other entities. The scheme is designed to help rural and regional Australia in particular, but the benefits of lower transport and production costs are expected to flow on to all Australians.

The energy grant for on-road credits is available for the use of diesel (including diesel blended with recycled waste oil) and specified alternative fuels (liquefied petroleum gas, ethanol, compressed natural gas, liquefied natural gas and biodiesel) based on a flat rate per litre of fuel. The exception is compressed natural gas, which is calculated on a per cubic metre basis.

For the 2005–06 financial year, there was a 2.4% increase in the amount of energy grants paid for on-road credits, with the number of claims decreasing by 0.6% from 2004–05. The transport, postal and warehousing industry was paid the largest amount of on-road fuel grants for 2004–05 and 2005–06, at 72.5% and 72.4% respectively. The number of claims made by this industry decreased by 1.1% for 2005–06, while the amount of claims paid increased by 2.3%.

Table 12.3: Energy grants paid for on-road credits, by entity, 2004–05 and 2005–06 financial years

Entity	2004–05		2005–06	
	\$m	%	\$m	%
Company	568	62.9	585	63.3
Partnership	108	12.0	107	11.6
Government	20	2.2	20	2.2
Individual	50	5.5	52	5.6
Other ¹	157	17.3	160	17.3
Total²	902	100	924	100

1 'Other' includes trusts and superannuation funds.

2 Totals may differ slightly from the sum of components due to rounding.

12 ENERGY GRANT SCHEMES

For the 2005–06 financial year, the number of claims under the energy grants credits scheme (on-road) in the mining industry decreased by less than 1.0%, while the credit amount paid increased by 33.3%. The administrative and support services industry experienced a small increase in the number of claims in 2005–06, but the amount paid decreased by 20.0% from 2004–05.

Table 12.4: Energy grants paid for on-road credits, by industry, 2004–05 and 2005–06 financial years

Industry ¹	2004–05		2005–06	
	No. ²	\$m	No. ²	\$m
Agriculture, forestry & fishing	25,259	34	27,184	36
Mining	1,490	9	1,480	12
Manufacturing	7,068	30	6,768	30
Electricity, gas, water & waste services	3,920	18	4,184	19
Construction	19,445	43	20,306	48
Wholesale trade	9,294	27	9,128	27
Retail trade	6,065	11	5,984	11
Accommodation & food services	640	1	620	1
Transport, postal & warehousing	142,965	654	141,416	669
Information media & telecommunications	137	1	139	<1
Financial & insurance services	717	6	732	6
Rental, hiring & real estate services	2,790	8	2,973	8
Administrative & support services	1,775	5	1,797	4
Public administration & safety	2,575	16	2,563	17
Education & training	784	1	780	1
Health care & social assistance	306	<1	332	<1
Arts & recreation services	823	1	768	1
Other services ³	13,182	38	10,595	35
Total⁴	239,235	902	237,749	924

1 The industry groups are based on the ANZSIC 2006 codes.

2 Claims processed during the period may not necessarily relate to fuel purchased during the same period.

3 Includes entities that did not state their industry.

4 Totals may differ slightly from the sum of components due to rounding.

FUEL SALES GRANTS SCHEME

The fuel sales grants scheme provides a grant to fuel retailers for the sale of petrol and diesel in regional and remote areas where fuel prices are generally higher. The scheme was designed so that, combined with the cut in excise rates on petrol and diesel, the price of fuel in non-metropolitan areas did not need to change relative to metropolitan areas. The fuel sales grants scheme ceased for fuel sales after 30 June 2006.

For the 2005–06 financial year, there was a 3.1% decrease in the amount of fuel sales grants paid, with the number of claims decreasing by 4.5% from 2004–05. While government had an additional claim in 2005–06, all other entity types experienced a decrease in the number of claims and the amount of grants paid.

Table 12.5: Fuel sales grants scheme grants paid, by entity, 2004–05 and 2005–06 financial years

Entity	2004–05		2005–06	
	No. ¹	\$m	No. ¹	\$m
Company	9,540	205	9,439	200
Partnership	7,831	13	7,197	12
Individual	2,068	3	1,819	2
Government	60	<1	61	<1
Other ²	5,305	37	5,172	36
Total³	24,804	258	23,688	250

1 Claims processed during the period may not necessarily relate to fuel purchased during the same period.
 2 'Other' includes trusts and superannuation funds.
 3 Totals may differ slightly from the sum of components due to rounding.

PRODUCT STEWARDSHIP FOR OIL PROGRAM

Under the product stewardship for oil program, the government collects an excise levy on all petroleum-based oils or synthetic equivalents. The levy applies to both domestic and imported oils and is paid by oil producers and importers. Benefits are paid to recyclers as a volume-based incentive to encourage and increase the environmentally sustainable management and recycling of waste oil and to support economic recycling options.

The Department of the Environment and Water Resources has policy responsibility for the program, while the Tax Office administers the program by collecting the oil levy and paying the benefit.

Total payments of \$17.0 million were made for the 2005–06 financial year.

The program has a small client base, with 63 clients currently registered and claiming benefits. In 2005–06 these clients made 3.8% more claims than in 2004–05.

Table 12.6: Product stewardship for oil program payments, 2004–05 and 2005–06 financial years

No. ¹	2004–05		No. ¹	2005–06	
	\$m	Litres claimed ('000)		\$m	Litres claimed ('000)
526	16	253,054	546	17	263,231

1 No further breakdown of claims paid, total amount or litres claimed can be provided because of secrecy regulations. Recyclers may lodge more than one claim a year.

CLEANER FUELS GRANTS SCHEME

The cleaner fuels grants scheme provides for payment of a cleaner fuels grant to importers and manufacturers of cleaner fuels. It is designed to encourage the supply of cleaner fuels to reduce the impact of vehicle emissions on the environment.

The cleaner fuels grant offsets the customs/excise duty payable on biodiesel, enabling an effective excise rate of zero for pure biodiesel and biodiesel components of blends until 30 June 2011.

From 1 January 2006, the cleaner fuels initiative was extended to ultra low sulphur fuels to assist manufacturers and importers who produce or sell premium unleaded petrol with 50mg/kg or less of sulphur. This interim measure will cease after 31 December 2007 when the mandated fuel standard of no more than 50ppm sulphur content for all premium unleaded petrol takes effect on 1 January 2008.

The cleaner fuels grants scheme has a very small client base, with just 20 clients claiming benefits in the 2005–06 financial year. For these claimants, biodiesel claims increased by 116.9% from 2004–05, largely due to more producers and importers participating in the scheme.

Table 12.7: Cleaner fuels grants scheme payments, 2004–05 and 2005–06 financial years

Fuel	No. ¹	\$m	2004–05		2005–06	
			Litres claimed ('000)	No. ¹	\$m	Litres claimed ('000)
Biodiesel	59	2	4,418	128	8	21,210
PULP ²				107	14	1,260,836

1 No further breakdown of claims paid, total amount or litres claimed can be provided because of secrecy regulations. Clients may lodge more than one claim a year.

2 Premium unleaded petrol.

SOURCE OF ENERGY GRANT SCHEME STATISTICS

The statistics for this chapter are sourced from registration and claim forms for the energy grants credits scheme, fuel sales grants scheme, product stewardship for oil program and cleaner fuels grants scheme. Most claims are lodged using paper forms, although some are lodged electronically via the Tax Office's electronic commerce interface or through the electronic lodgment service.

LIST OF ENERGY GRANT SCHEME DETAILED TABLES

The following fuel schemes detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

Table 1: Energy grants credits scheme (off-road) – quantity and value of claims paid, by industry/operation, 1996–97 to 2005–06 financial years

This table reports the number of claims, quantity of fuel and the value of energy grants for off-road credits claimed, by industry/operation, for the 1996–97 to 2005–06 financial years.

Table 2: Energy grants credits scheme (on-road) – quantity and value of claims paid, by industry, 2000–01 to 2005–06 financial years

This table reports the number of claims, quantity of fuel and the value of energy grants for on-road credits claimed, by different broad industry groups, for the 2000–01 to 2005–06 financial years.

Table 3: Fuel sales grants scheme – quantity and value of claims paid, 2000–01 to 2005–06 financial years

This table reports the number of claims, quantity of fuel and the value of fuel sales grants claimed by clients/entities. The statistics are for 2000–01 to 2005–06 financial years.

Table 4: Product stewardship for oil program – quantity and value of benefits paid, 2001–02 to 2005–06 financial years

This table reports the number of claims, quantity of fuel and the value of benefits claimed by clients/entities under the stewardship for oil program. The statistics are for the 2001–02 to 2005–06 financial years.

OVERVIEW

During the 2005–06 financial year:

- just over 1 million superannuation accounts were removed from the Lost Members Register
- the number of self managed superannuation funds and members of these funds grew by 6.8% each, while the value of assets held by these funds grew by 21.2%
- there were 1.2 million co-contribution entitlements totalling \$959.0 million determined and paid.

INTRODUCTION

Superannuation is a specifically designed long-term investment vehicle for individuals' retirement savings.

The retirement income system includes:

- a compulsory element of superannuation, the superannuation guarantee. This requires employers to contribute a minimum level to their employees' superannuation accounts
- a voluntary level of superannuation encouraged by tax concessions and the government's co-contribution scheme, and
- the age pension and associated social security arrangements that provide an income safety net for retirees.

The Tax Office plays a major role in administering the compulsory and voluntary elements of the superannuation system. This includes:

- superannuation fund income tax (reported in chapter 4)
- the superannuation guarantee
- the superannuation holding accounts special account
- the Lost Members Register
- departing Australia superannuation payments
- the regulation of self managed superannuation funds
- the co-contributions system
- reasonable benefit limits
- the superannuation contributions surcharge, and
- the termination payments surcharge.

Those directly affected by Australia's superannuation system tax regime are employers and employees, superannuation funds (and their equivalents), the Australian Government and beneficiaries.

During 2004–05 the Australian superannuation system included:

- 27.9 million member superannuation accounts
- \$22.9 billion in member contributions a year
- \$42.4 billion in employer contributions a year
- \$30.0 billion in member benefit payments a year.

For information reported by superannuation funds for the 2004–05 income year see chapter 4.

In June 2006 the Australian superannuation system featured:

- approximately 90% of employees with some form of superannuation
- 1.33 million active registered employers
- 327,832 superannuation funds, and
- \$913.9 billion in total superannuation assets.

NEW FEATURES AND INFORMATION

For the 2005–06 financial year, there were no significant changes that affected the superannuation statistics reported in this chapter.

SUPERANNUATION GUARANTEE SCHEME

The superannuation guarantee scheme requires employers to provide a prescribed minimum level of superannuation support for each eligible employee to a complying superannuation fund or retirement savings account.

Some employees are not eligible for superannuation guarantee contributions because of low salary or wages, age, hours of work or residency status. The limits for tax deductible superannuation guarantee contributions by employers for employees are based on an employee's age.

Choice of fund commenced on 1 July 2005 and affected about 650,000 employers and 4.8 million employees. It provides employees with a choice concerning which fund their superannuation guarantee entitlements are paid into.

Employers who fail to provide a minimum level of superannuation support and meet choice of superannuation fund obligations for all eligible employees are liable to pay a non-deductible superannuation guarantee charge. This charge is equal to:

- the employer's total superannuation guarantee shortfall
- choice of superannuation fund liability
- an interest component of 10% a year calculated from the beginning of the quarter relating to the shortfall to the 28th day of the second month following the end of the quarter, or the date of lodgment of the superannuation guarantee statement (whichever is later), and
- an administrative fee of \$20 for each employee not fully covered.

The Tax Office collects the superannuation guarantee charge from employers and facilitates the transfer of the shortfall component, plus interest, to their employees' superannuation accounts. In addition to the superannuation guarantee charge, penalties may apply.

For the 2005–06 financial year, the value of superannuation guarantee transfers decreased by 15.9% from 2004–05. This decrease was largely attributable to the backlog of transfers that were processed during 2004–05.

Table 13.1: Superannuation guarantee charge collections and transfers, 2004–05 and 2005–06 financial years

Superannuation guarantee	2004–05	2005–06
	\$m	\$m
Charge collections	181	228
Transfers	296	248

SUPERANNUATION HOLDING ACCOUNTS SPECIAL ACCOUNT

A small number of employers used the superannuation holding accounts special account to deposit superannuation guarantee contributions for their employees. The special account closed to new employer superannuation guarantee deposits on 30 June 2006.

The special account may also receive unclaimed superannuation guarantee and superannuation co-contributions amounts.

At the end of the 2005–06 financial year, the total value of accounts in the special account was \$57.8 million. This figure is greater than the total value of individual accounts due to money awaiting distribution to individual accounts or transfer to superannuation funds. Some 178,815 or 40.4% of individual accounts had balances of more than \$0, with an average value of \$302 per account. There were also 263,597 or 59.6% of accounts with a \$0 balance, representing account balances transferred to a superannuation fund or paid to an individual.

Deposits into the special account in 2005–06 totalled \$9.1 million. Transfers from the special account in 2005–06 totalled \$10.7 million and the majority of this money was paid to superannuation funds and retirement savings accounts.

Table 13.2: Individual account balances in the superannuation holding accounts special account, 2004–05 and 2005–06 financial years¹

Individual account balance	2004–05		2005–06	
	No.	\$m	No.	\$m
\$0	240,441	0	263,597	0
\$1–\$100	74,884	4	73,388	4
\$101–\$500	79,408	18	78,375	18
\$501–\$1,000	17,502	12	16,877	12
\$1,001 or more	10,312	20	10,175	20
<i>Total of account balances more than \$0²</i>	<i>182,106</i>	<i>55</i>	<i>178,815</i>	<i>54</i>

¹ The total value of accounts in the superannuation holding accounts special account is generally more than the total value of individual accounts due to money awaiting distribution to individual accounts or transfer to superannuation funds. The total value was \$59.3 million at the end of 2004–05 and \$57.8 million at the end of 2005–06.

² Total of account balances may differ slightly from the sum of the components due to rounding.

LOST MEMBERS REGISTER

The Tax Office maintains a register of accounts that superannuation funds have classified as 'lost'. Superannuation funds report members as lost when they have received unclaimed mail for the member and/or when the account has not shown activity for some time.

At the end of the 2005–06 financial year, there were 5.68 million accounts on the Lost Members Register, with a total value of \$9.7 billion. During 2005–06 more than 1 million accounts were removed from the register. The majority of these were due to people being reunited with their superannuation. The remainder were a result of funds providing updated member records, thereby removing accounts with incorrect, duplicate or out-of-date data.

In 2005–06 the Tax Office also undertook data cleansing activities and removed lost accounts in wound-up funds. Despite this, there was an increase in the number of accounts, as approximately 1.27 million new accounts were reported as 'lost'.

Table 13.3: Lost Members Register, 2004–05 and 2005–06 financial years

Financial year	Accounts removed during the year No.	Accounts at 30 June No.	Closing value at 30 June \$m
2004–05	743,560	5,417,403	8,200
2005–06	1,008,526	5,676,510	9,700

SELF MANAGED SUPERANNUATION FUNDS

The Tax Office assumed regulatory responsibility for self managed superannuation funds following amendments to the *Superannuation Industry (Supervision) Act 1993* in October 1999.

Generally, the Superannuation Industry (Supervision) Act defines a self managed superannuation fund according to these criteria:

- it has four or fewer members
- no member of the fund is an employee of another member of the fund, unless they are related
- each member is a trustee, and
- no trustee of the fund receives any remuneration for their services as a trustee.

A self managed superannuation fund can have a company as a trustee (known as a corporate trustee).

While self managed funds make up 97.0% of all superannuation funds, they represent only 2.0% of total superannuation member accounts. Self managed funds manage 22.0% of all assets in the Australian superannuation system.

At the end of 2005–06, there were 320,003 self managed funds, with a total of 616,576 members. Around 89.0% of self managed funds have one or two members. In 2005–06 around 22,800 new funds were registered, compared to around 24,500 in the previous financial year.

Table 13.4: Self managed superannuation fund demographics, 2004–05 and 2005–06 financial years

Financial year	Funds No.	Members No.	Assets ¹ \$m
2004–05 ²	299,696	577,303	173,154
2005–06	320,003	616,576	209,877

- 1 Estimate based on Tax Office data.
2 2004–05 figures have been updated.

Table 13.5: Number of members in self managed superannuation funds, 2004–05 income year¹

Number of members	Proportion of funds (%)
1	20.3
2	68.6
3	5.5
4	5.6

- 1 Sourced from the superannuation fund tax return 2004–05.

Table 13.6: Asset allocation across self managed superannuation funds, 2003–04 and 2004–05 financial years¹

Asset type	2003–04 %	2004–05 %
Life insurance policies	0.3	0.2
Other managed fund	6.0	6.2
Overseas assets	0.6	0.6
Real property	11.7	11.2
Other property	0.5	0.4
Listed shares & equities	31.3	32.7
Unlisted shares & equities	1.8	1.7
Public trusts	10.8	11.1
Other trusts	10.5	9.9
Cash & term deposits	23.1	22.6
Loans	0.9	0.8
Other	2.4	2.6
Total²	100	100

- 1 2005–06 fund tax return information is not available.
2 Total amount may not add to 100% due to rounding.

SUPERANNUATION CO-CONTRIBUTION

The superannuation co-contribution was introduced from 1 July 2003 and is an initiative to assist eligible individuals to save for their retirement. Where a person is eligible and makes personal superannuation contributions, the government will match their contributions with a co-contribution, subject to certain limits.

From 1 July 2004, eligible persons with total income below \$28,000 will receive a co-contribution of \$1.50 for every dollar of personal contributions – up to a maximum co-contribution of \$1,500. The co-contribution reduces by 5 cents for each dollar earned above \$28,000, phasing out at the higher income threshold of \$58,000.

A co-contribution entitlement is determined and paid, generally to an individual's superannuation account, once the Tax Office matches an individual's income tax return with the member contribution information supplied by a superannuation fund or retirement savings account provider. As income tax return and member contribution information is lodged with the Tax Office after the end of the income year, the payment of a co-contribution generally occurs in the following income year.

There was an increase in the number and value of payments made in the 2005–06 financial year. This reflects the growth in the number of people eligible for co-contributions due to the income thresholds changing from \$40,000 to \$58,000, and the increase in the government's maximum contribution amount from \$1,000 to \$1,500 from 1 July 2004.

Table 13.7: Co-contribution entitlements determined and paid, 2004–05 and 2005–06 financial years¹

Co-contribution	2004–05		2005–06	
	No.	\$m	No.	\$m
Total	571,000	309	1,204,400	959

¹ Co-contribution entitlements determined and paid in the financial year relate to personal contributions made in previous income years. The figures in this table are for original entitlements and do not include any additional entitlements or interest calculated.

For 2005–06, 57.0% of individuals who were paid co-contributions were female, and 31.7% of these women were aged between 46 and 55.

Table 13.8: Number of co-contribution entitlements determined and paid, by age and sex¹, 2005–06 financial year

Age range	Female No	Male No.	Total No.
Under 21	19,287	26,058	45,345
21–25	44,456	41,003	85,459
26–30	50,298	39,694	89,992
31–35	69,015	47,693	116,708
36–40	80,911	52,683	133,594
41–45	101,919	65,222	167,141
46–50	109,046	68,084	177,130
51–55	110,113	71,208	181,321
56–60	78,079	62,907	140,986
61–65	25,274	32,049	57,323
66–70	3,912	5,489	9,401
Total	692,310	512,090	1,204,400

¹ Co-contributions entitlements determined and paid in 2005–06 relate to personal contributions made in the 2003–04 and 2004–05 income years.

REASONABLE BENEFIT LIMITS

Reasonable benefit limits are the maximum amount of retirement and termination of employment benefits that a person can receive over their lifetime at concessional rates of tax. Benefits taken in excess of a person's reasonable benefit limit do not receive tax concessions.

There are two types of reasonable benefit limits: a lump sum limit and a pension limit. The limits are indexed annually according to movements in average weekly ordinary time earnings published by the Australian Bureau of Statistics.

For the 2005–06 financial year, the lump sum limit was \$648,946 and the pension limit was \$1,297,886. Higher (transitional) limits may apply in some circumstances.

Of the 1.07 million benefits reported in 2005–06, 8,132 benefits, or 0.8%, exceeded the reasonable benefit limits. In comparison, 0.9% exceeded the limits in 2004–05.

Table 13.9: Reasonable benefits reported, 2004–05 and 2005–06 financial years

Reasonable benefits	No. reported	2004–05		2005–06	
		No. exceeding limit	No. reported	No. exceeding limit	No. reported
Total	1,161,398	10,667	1,072,489	8,132	8,132

SUPERANNUATION SURCHARGE

Surcharge law changes mean that the surcharge no longer applies to any superannuation contributions made, or termination payments received, on or after 1 July 2005. However, the surcharge still applies and continues to be collected in respect of 2004–05 and previous years.

The surcharge was generally imposed on certain employer superannuation contributions, deductible personal contributions and certain termination payments. It only applied for high-income earners whose taxable income, reportable fringe benefits amounts and surchargeable contributions together exceeded a certain threshold (\$99,710 in 2004–05).

In 2004–05 a maximum surcharge rate of 12.5% applied for adjusted taxable incomes that exceeded a higher income amount of \$121,075. The rate reduces to nil for adjusted taxable incomes under the lower income amount of \$99,710. The maximum surcharge rate was 14.5% for 2003–04 and 15.0% for previous years.

Table 13.10: Surcharge assessments issued and net collections, 2004–05 and 2005–06 financial years

Surcharge assessments	2004–05		2005–06	
	No.	\$m	No.	\$m
Total	1,023,627	1,233	899,733	951

SOURCE OF SUPERANNUATION STATISTICS

The statistics in this chapter are sourced from the various superannuation systems, fund income tax and regulatory returns processed by 30 June 2006, and the Australian Business Register. Most of the statistics reported in the introduction to this chapter are sourced from the Australian Prudential Regulation Authority publications, *Quarterly superannuation performance June 2006* and *Annual superannuation bulletin June 2005*.

Statistics reported in the self managed superannuation funds and reasonable benefit limits tables have been updated for 2004–05 and previous years to incorporate statistics processed by 30 June 2006. These statistics cannot be compared to previous editions of *Taxation Statistics*.

A copy of the fund income tax and regulatory return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of *Taxation Statistics* on the Tax Office website at www.ato.gov.au.

LIST OF SUPERANNUATION DETAILED TABLES

The following detailed tables are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF) or Microsoft Excel (XLS).

To find out whether a particular item is included in a detailed table, refer to the company detailed table index included on the attached CD-ROM and in the online version of this publication. The index lists the different items shown in the detailed tables and specifies which table they appear in.

Table 1: Superannuation holding accounts special account, 2000–01 to 2005–06 financial years

This table details the number and value of deposits, the number and value of individual accounts and the total value of the superannuation holding accounts special account for the 2000–01 to 2005–06 financial years.

Table 2: Selected self managed superannuation fund demographics, 1999–2000 to 2005–06 financial years

This table details the number of funds, number of members and total value of assets for self managed superannuation funds for the 1999–2000 to 2005–06 financial years.

INTRODUCTION

In recent years the Tax Office has worked with community groups, industry representatives and tax practitioners on a range of activities. These activities are aimed at maintaining the integrity of the tax system, encouraging and improving record keeping practices among business, and reducing compliance costs for business. Providing industry benchmarks in the form of financial ratios and activity statement ratios is one such activity.

In providing benchmarks, the Tax Office aims to have a more direct impact on taxpayer behaviour before tax returns are prepared and lodged.

The benchmarks help tax advisers identify averages for groups of activities and, therefore, businesses that vary significantly from those averages. Tax advisers can use this information to determine reasons for any variation and identify action that should be taken to correct problems and improve business practices – in particular those related to record keeping.

The business community and business owners generally use benchmarks to compare the performance of their business with industry averages. The business community may also use these ratios when evaluating job tenders. The gross profit and net profit ratios of a business compared to the industry average may be one factor taken into account in deciding whether a particular tender is successful.

NEW FEATURES AND INFORMATION

The ratios by state/territory are no longer produced for companies, trusts and partnership as the information may be misleading.

FINANCIAL RATIOS

Financial ratio data related to gross profit, net profit and wages to turnover provides useful indicators of business activity and performance for tax practitioners, the business community and the Tax Office. The data is widely used in external publications and can be calculated from income tax return data.

The industry benchmark detailed tables contain financial ratio benchmark data for each entity type and most business activities. The ratios calculated for each business activity have been used to produce two sets of mean average ratio values. The first set includes both profit making and loss making entities. It provides a benchmark figure for an entire business activity/industry division or group. The second set of ratios excludes businesses that return a loss, providing an industry average for 'profitable' businesses only.

Box 14.1: Financial ratios calculated¹

Gross profit ratio: total business income minus cost of sales, divided by total business income.

Net profit ratio: total business income minus total expenses, divided by total business income.

Wages to turnover ratio: salary and wages paid, divided by total business income.

¹ Calculated from income tax return labels.

ACTIVITY STATEMENT RATIOS

Activity statement data helps the Tax Office identify and address issues likely to have a negative impact on revenue as they emerge, rather than after they become ingrained business practice.

The industry benchmark detailed tables contain activity statement ratio benchmark data for each entity type and most business activities. As with the financial ratios, activity statement ratios calculated for each business activity have been used to produce two sets of mean average ratio values. The first set includes both profit making and loss making entities. It provides a benchmark figure for an entire business activity/industry division or group. The second set of ratios excludes businesses that return a loss, providing an industry average for 'profitable' businesses only.

Box 14.2: Activity statement ratios calculated¹

Wages to sales ratio: total salary, wages and other payments (W1)², divided by total sales (G1).²

Expenses to sales ratio: non-capital purchases (G11)² plus total salary, wages and other payments (W1)², divided by total sales (G1).²

Net GST to sales ratio: GST on sales or GST instalment (1A)² minus GST on purchases (1B)², divided by total sales (G1).²

1 Calculated from *Business activity statement* labels.

2 Activity statement labels.

EXCLUSIONS AND CONSIDERATIONS

To include some cases when analysing a large population can produce misleading results. For example, income tax return labels used in the calculations may not have been completed or not completed correctly, or the ratios for an individual entity are exceptional and would distort the calculation of a true industry average.

In an attempt to improve the quality of the end product, the Tax Office has developed and applied certain exclusion criteria. A list and explanation of these exclusion criteria are in all the industry benchmark tables.

Despite applying these exclusion criteria, it is still important to recognise that the benchmarks developed are not definitive and should not be used in isolation. For example, there are a range of legitimate reasons why businesses vary from industry averages and, conversely, why businesses with ratios close to the industry average may have compliance problems or other financial difficulties. Also, an average ratio calculated using a large population is generally more reliable than one calculated from a small population.

Benchmarks are most useful as a guide when considered over a period of time or in conjunction with other information. For example, the age of the business and its performance over a number of years should also be taken into account when considering the viability of a business.

SOURCE OF INDUSTRY BENCHMARKS

The data used to calculate the financial ratios for the business activities and entities was sourced from the 2005 individual, company, partnership and trust income tax returns processed by 31 October 2006.

The goods and services tax (GST) and pay as you go withholding collections for the 2004–05 financial year used for calculating activity statement ratios are sourced from activity statements, annual GST returns and annual GST information reports.

Generally, new data used in activity statement ratios is compiled two months after the end of the quarterly reporting period. For example, data for the quarter ending 30 September 2006 is compiled on 1 December 2006. Companies that use a substituted accounting period (that is, their financial year is not 1 July to 30 June) are not included in the calculation of activity statement ratios for this publication.

LIST OF FINANCIAL RATIO DETAILED TABLES

Each detailed table contains gross profit ratios, net profit ratios and wages to turnover ratios for business activity/industry (Australian and New Zealand Standard Industrial Classification (ANZSIC) 1993) divisions and groups listed in the Tax Office publication *Business industry codes 2005* (NAT 1827).

❗ For financial ratio detailed tables, ratios may not be available for some business (ANZSIC 1993) group codes and/or entities because there is insufficient data to calculate the ratios, or the data cannot be shown for confidentiality reasons.

Each financial ratio table is divided into two parts. **Part A** contains benchmark ratios calculated for broad industries (or ANZSIC divisions). The ratios for fine industries (or ANZSIC groups) are presented in **Part B**.

Table IN1: Individual industry financial ratios, by business status, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all individuals. Each ANZSIC 1993 division or group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established business entities.

Table IN2: Individual industry financial ratios, by total business income, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all individuals falling under different business activity/industry (ANZSIC 1993) divisions or groups. Each ANZSIC 1993 division or group is ranged by total business income.

Table CO1: Company industry financial ratios, by business status, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all companies. Each ANZSIC 1993 division or group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established business entities.

Table CO2: Company industry financial ratios, by total business income, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all companies falling under different business activity/industry (ANZSIC 1993) divisions or groups. Each ANZSIC 1993 division or group is ranged by total income.

Table PA1: Partnership industry financial ratios, by business status, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all partnerships. Each ANZSIC 1993 division or group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established business entities.

Table PA2: Partnership industry financial ratios, by total business income, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all partnerships falling under different business activity/industry (ANZSIC 1993) divisions or groups. Each ANZSIC 1993 division or group is ranged by total business income.

Table TR1: Trust industry financial ratios, by business status, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all trusts. Each ANZSIC 1993 division or group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established business entities.

Table TR2: Trust industry financial ratios, by total business income, 2004–05 income year

This table shows gross profit, net profit and wages to turnover ratios for profitable and all trusts falling under different business activity/industry (ANZSIC 1993) divisions or groups. Each ANZSIC 1993 division or group is ranged by total business income.

LIST OF ACTIVITY STATEMENT RATIO DETAILED TABLES

Each detailed table contains expenses to sales ratios, wages to sales ratios, and net GST paid to sales ratios for business activity/industry (ANZSIC 1993) divisions listed in *Business industry codes 2005*.

ⓘ For financial ratio detailed tables, ratios may not be available for some business (ANZSIC 1993) group codes and/or entities because there is insufficient data to calculate the ratios, or the data cannot be shown for confidentiality reasons.

Table INAS1: Individual industry activity statement ratios, by business status, 2004–05 income year

This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all individuals falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established businesses of all entity types.

Table INAS2: Individual industry activity statement ratios, by level of sales and profitability, 2004–05 income year

This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all individuals falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is ranged by total sales (label G1) income.

Table COAS1: Company industry activity statement ratios, by business status, 2004–05 income year

This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all companies falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established businesses of all entity types.

Table COAS2: Company industry activity statement ratios, by level of sales and profitability, 2004–05 income year

This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all companies falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is ranged by total sales (label G1) income.

Table PAAS1: Partnership industry activity statement ratios, by business status, 2004–05 income year

This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all partnerships falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established businesses of all entity types.

Table PAAS2: Partnership industry activity statement ratios, by level of sales and profitability, 2004–05 income year

This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all partnerships falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is ranged by total sales (label G1) income.

Table TRAS1: Trust industry activity statement ratios, by business status, 2004–05 income year


This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all trusts falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is classified by business status – commenced business (businesses that just started) and established business. Industry ratios are therefore calculated for commenced and established businesses of all entity types.

Table TRAS2: Trust industry activity statement ratios, by level of sales and profitability, 2004–05 income year

This table shows expenses to sales, wages to sales and net GST paid to sales ratios for profitable and all trusts falling under different industry (ANZSIC 1993) groups for the income year indicated. Each ANZSIC 1993 group is ranged by total sales (label G1) income.

APPENDIX: ANNUAL TAX RETURN FORMS

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004–05 INCOME YEAR

	Australian Government Australian Taxation Office	<h3>Individual tax return</h3> <p>2005</p> <p>1 July 2004 to 30 June 2005</p> <p>Print neatly in BLOCK LETTERS with a black or blue ballpoint pen only.</p>
<p>Your tax file number (TFN) <input style="width: 100px;" type="text"/></p> <p style="font-size: small;">See the Privacy note in the <i>Taxpayer's declaration</i> on page 12 of this tax return.</p>		
		<p>Are you an Australian resident? <input type="checkbox"/> Print Y for yes or N for no.</p> <p>Have you included any attachments – other than PAYG payment summaries? <input type="checkbox"/> Print Y for yes or N for no.</p>
<p>Your name</p> <p>Title – for example, Mr, Mrs, Ms, Miss <input style="width: 150px;" type="text"/></p> <p>Your sex Print X in the relevant box. Male <input type="checkbox"/> Female <input type="checkbox"/></p> <p>Surname or family name <input style="width: 300px;" type="text"/></p> <p>Given names <input style="width: 300px;" type="text"/></p> <p>Has any part of your name changed since completing your last tax return? <input type="checkbox"/> Print Y for yes or N for no. If you answered yes, print previous surname. <input style="width: 100px;" type="text"/></p>		
<p>Your postal address</p> <p>Has your postal address changed since completing your last tax return? <input type="checkbox"/> Print Y for yes or N for no.</p> <p><input style="width: 300px;" type="text"/></p> <p><input style="width: 300px;" type="text"/></p> <p>Suburb or town <input style="width: 150px;" type="text"/> State <input style="width: 20px;" type="text"/> Postcode <input style="width: 40px;" type="text"/></p> <p>Country – if not Australia <input style="width: 150px;" type="text"/></p>		
<p>Your home address</p> <p>If the same as your current postal address, print AS ABOVE.</p> <p><input style="width: 300px;" type="text"/></p> <p><input style="width: 300px;" type="text"/></p> <p>Suburb or town <input style="width: 150px;" type="text"/> State <input style="width: 20px;" type="text"/> Postcode <input style="width: 40px;" type="text"/></p> <p>Country – if not Australia <input style="width: 150px;" type="text"/></p>		
<p>Your date of birth</p> <p>If you were under 18 years of age on 30 June 2005 you must complete item A1 on page 4 of this tax return.</p> <p>Day <input style="width: 20px;" type="text"/> Month <input style="width: 20px;" type="text"/> Year <input style="width: 20px;" type="text"/></p>		<p>Final tax return</p> <p>If you know this is your final tax return, print FINAL. <input style="width: 80px;" type="text"/></p>
<p>Your daytime telephone number</p> <p>Area code <input style="width: 40px;" type="text"/> Telephone number <input style="width: 120px;" type="text"/></p>		
<p>Your spouse's name</p> <p>Surname or family name <input style="width: 300px;" type="text"/></p> <p>Given names <input style="width: 300px;" type="text"/></p>		
<p>Electronic funds transfer (EFT)</p> <p>Do you want to use electronic funds transfer (EFT) this year for your tax refund or family tax benefit payment where applicable? <input type="checkbox"/> Print Y for yes or N for no. If you answered yes, complete the account details – do not provide details if they are the same as last year.</p> <p>BSB number <input style="width: 40px;" type="text"/> Must be six digits <input style="width: 40px;" type="text"/> Account number <input style="width: 60px;" type="text"/></p> <p>Account name <input style="width: 250px;" type="text"/> F</p>		
NAT 1371 – 6.2005	IN CONFIDENCE when completed	PAGE 1

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004-05 INCOME YEAR

Income

1 Salary or wages

Your main salary and wage occupation

Occupation code **X**

Payer's Australian business number

Tax withheld
(do not show cents)

Income
(do not show cents)

C

D

E

F

G

2 Allowances, earnings, tips, director's fees etc

K

3 Lump sum payments

Amount A in lump sum payments box **R**

TYPE

5% of amount B in lump sum payments box **H**

4 Eligible termination payments (ETP)

Taxable amount other than excessive component **I**

Excessive component **N**

5 Australian Government allowances and payments like Newstart, youth allowance and austudy payment

A

6 Australian Government pensions and allowances

You must complete item T2 or T3 in Tax offsets.

B

7 Other Australian pensions or annuities – including superannuation pensions

Type

J

8 Attributed personal services income

O

Total tax withheld

Add up the **W** boxes.

\$

9 Total reportable fringe benefits amounts

W

10 Gross interest

Tax file number amounts withheld from gross interest

M

Gross interest

L

11 Dividends

Unfranked amount

S

Franked amount

T

Tax file number amounts withheld from dividends

V

Franking credit

U

I Only used by taxpayers completing the supplementary section

Transfer the amount from **TOTAL SUPPLEMENT INCOME OR LOSS** on page 8 and write it here.

TOTAL INCOME OR LOSS

Add up the income amounts and deduct any loss amount in the **LOSS** boxes.

F

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004–05 INCOME YEAR

Attach all requested attachments here. Place the 'Payee's Tax Return Copy' of PAYG payment summaries on top followed by any other attachments.

Deductions

D1 Work related car expenses	A	<input type="text" value="00"/>	<input type="checkbox"/>
D2 Work related travel expenses	B	<input type="text" value="00"/>	
D3 Work related uniform, occupation specific or protective clothing, laundry and dry cleaning expenses	C	<input type="text" value="00"/>	<input type="checkbox"/>
D4 Work related self-education expenses	D	<input type="text" value="00"/>	<input type="checkbox"/>
D5 Other work related expenses	E	<input type="text" value="00"/>	
D6 Low value pool deduction	K	<input type="text" value="00"/>	
D7 Interest and dividend deductions	I	<input type="text" value="00"/>	
D8 Gifts or donations	J	<input type="text" value="00"/>	
D9 Deductible amount of undeducted purchase price (UPP) of an Australian pension or annuity (Deductible amount of UPP of a foreign pension or annuity is dealt with at D12 on page 8)	L	<input type="text" value="00"/>	
D10 Cost of managing tax affairs	M	<input type="text" value="00"/>	

D Only used by taxpayers completing the supplementary section

Transfer the amount from **TOTAL SUPPLEMENT DEDUCTIONS** on page 8 and write it here.

TOTAL DEDUCTIONS	Items D1 to D – add up the I boxes.	<input type="text" value="00"/>
SUBTOTAL	TOTAL INCOME OR LOSS less TOTAL DEDUCTIONS	<input type="text" value="00"/>

Losses

L1 Tax losses of earlier income years

Primary production losses carried forward from earlier income years	Q	<input type="text" value="00"/>	Primary production losses claimed this income year	F	<input type="text" value="00"/>
Non-primary production losses carried forward from earlier income years	R	<input type="text" value="00"/>	Non-primary production losses claimed this income year	Z	<input type="text" value="00"/>

TAXABLE INCOME OR LOSS	Subtract amounts at F and Z item L1 from amount at SUBTOTAL .	\$	<input type="text" value="00"/>
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Tax offsets

T1 Spouse (without dependent child or student), child-housekeeper or housekeeper If you had a spouse during 2004–05 you must also complete Spouse details – married or de facto on page 5. Child-housekeeper's separate net income	V	<input type="text" value="00"/>	P	<input type="text" value="00"/>
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T2 Senior Australians (includes age pensioners, service pensioners and self-funded retirees) If you had a spouse during 2004–05 you must also complete Spouse details – married or de facto on page 5.	N	<input type="text" value=""/>	Y	<input type="text" value=""/>
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If you completed item **T2 Senior Australians** above DO NOT complete this item.

T3 Pensioner If you had a spouse during 2004–05 you must also complete Spouse details – married or de facto on page 5.	O	<input type="text" value=""/>	T	<input type="text" value=""/>
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T4 Superannuation annuity and pension	S	<input type="text" value="00"/>
--	----------	---------------------------------

T5 Private health insurance You must complete Private health insurance policy details on page 4.	G	<input type="text" value="00"/>
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T6 Ongoing baby bonus claim First time baby bonus claimants and all transferees must use the <i>Baby bonus instructions and claim 2005</i> .	H	<input type="text" value=""/>	<input type="text" value=""/>
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T Only used by taxpayers completing the supplementary section

Transfer the amount from **TOTAL SUPPLEMENT TAX OFFSETS** on page 8 and write it here.

TOTAL TAX OFFSETS	Items T1 , T4 , T5 and T – add up the U boxes.	U	<input type="text" value="00"/>
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INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004-05 INCOME YEAR

Private health insurance policy details

You must provide the details for each policy if item T5 or item M2 asked you to complete this section.

Health fund ID	Membership number	TYPE
B <input type="text"/>	C <input type="text"/>	<input type="checkbox"/> F
B <input type="text"/>	C <input type="text"/>	<input type="checkbox"/> F
B <input type="text"/>	C <input type="text"/>	<input type="checkbox"/> F

Medicare levy related items

M1 Medicare levy reduction or exemption

If you complete this item and you had a spouse during 2004-05 you must complete **Spouse details - married or de facto** on page 5.

Reduction based on family income

Number of dependent children and students **Y**

Exemption categories

Full 1.5% levy exemption - number of days **V** **CLAIM**
TYPE

Half 1.5% levy exemption - number of days **W**

M2 Medicare levy surcharge (MLS)

THIS ITEM IS COMPULSORY

If you do not complete this question you may be charged the full Medicare levy surcharge.

For the **whole** period 1 July 2004 to 30 June 2005, were **you** and **all** your dependants (including your spouse) - if you had any - covered by private patient HOSPITAL cover? **E** Print **Y** for yes or **N** for no.

If you printed **Y**, you must complete **Private health insurance policy details** above.
If you printed **N**, read below.

If you are liable for the surcharge for the whole period 1 July 2004 to 30 June 2005 you **must** write **0** at **A**.

If you are liable for the surcharge for part of the period 1 July 2004 to 30 June 2005 you **must** write the number of days you were **NOT** liable at **A**.

If you are **NOT** liable for the surcharge for the whole period 1 July 2004 to 30 June 2005 you **must** write **365** at **A**.

Number of days **NOT** liable for surcharge **A**

Number of dependent children **D**

If you had a spouse during 2004-05 (and you printed **N** at **E**), complete **Spouse details - married or de facto** on page 5. If you were covered by private patient hospital cover at any time during 2004-05 you **must** complete **Private health insurance policy details** above.

Adjustments

A1 Under 18

If you were under 18 years of age on 30 June 2005 you must complete this item or you may be taxed at a higher rate. Read the information on **A1** in *TaxPack 2005* for more information.

J **TYPE**

A2 Part-year tax-free threshold

Read the information on **A2** in *TaxPack 2005* before completing this item.

Date

Months eligible for threshold **N**

Income while a full-time student **O** **F**

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004–05 INCOME YEAR

Spouse details – married or de facto

Only provide these details if you had a spouse – married or de facto – during 2004–05 and you completed any of the following items: T1, T2, T3, M1, M2 (and at **E** you printed N), T7 (supplementary section).

Spouse's date of birth **K** Day Month Year

Did you have a spouse for the full year 1 July 2004 to 30 June 2005? **L** Print **Y** for yes or **N** for no.

If you did not have a spouse for the full year, write the dates you had a spouse between 1 July 2004 and 30 June 2005.

M From Day Month Year

N to Day Month Year

The information below relates to your spouse's income – the list shows which details you need to complete.

If you have completed:

- item T1, complete **R**
- item T2 or T3, complete **O, T, P** and **Q**
- item M1 (**V** or **W**), complete **O**
- item M1 (**Y** only), complete **O** if you had a spouse on 30 June 2005
- item M2 and if you printed **N** for no at **E**, complete **O, T, U** and **S** if you had a spouse for all of 2004–05 or your spouse died during the year
- item T7, complete **O** and **S**.

For any of the following that you are required to complete, if the amount is zero, write 0.

Spouse's 2004–05 taxable income **O** -00

Your spouse's share of trust income on which the trustee is assessed under section 98 and which has not been included in spouse's taxable income **T** -00

Distributions to your spouse on which family trust distribution tax has been paid which your spouse would have had to show as assessable income if the tax had not been paid **U** -00

Your spouse's total reportable fringe benefits amounts **S** -00

Amount of any Australian Government pensions and allowances that your spouse received in 2004–05 **P** -00

Amount of any exempt pension income that your spouse received in 2004–05 (make sure you only include your spouse's exempt pension income) **Q** -00

Your spouse's 2004–05 separate net income **R** -00

F

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004–05 INCOME YEAR

Supplementary section

Income

Refer to *TaxPack 2005 supplement* before you complete item 12. If you are required to complete item 12 include deferred non-commercial business losses from a prior year at either **X** or **Y** as appropriate. Refer to *TaxPack 2005 supplement* for the relevant code.

12 Partnerships and trusts

Primary production

Distribution from partnerships **N** /

Distribution from trusts **L** /

Landcare operations and deduction for decline in value of water facility **I**

Other deductions relating to distribution **X** / ^{TYPE}

Note: If you have a net loss from a partnership business activity, complete items **P3** and **P9** in the **Business and professional items** section of this tax return in addition to item 12.

Net primary production distribution / ^{LOSS}

Non-primary production

Distribution from partnerships less foreign income **O** /

Distribution from trusts less net capital gains and foreign income **U** /

Landcare operations expenses **J**

Other deductions relating to distribution at **O** and **U** **Y** / ^{TYPE}

Distributions of net capital gains (including net foreign capital gains) must be included at item 17 on page 7. Distributions of foreign income must be included at item 18 or 19 on page 7.

Net non-primary production distribution / ^{LOSS}

Share of credits from income

Share of credit for tax withheld where Australian business number not quoted **P** /

Share of franking credit from franked dividends **Q** /

Share of credit for tax file number amounts withheld from interest, dividends and unit trust distributions **R** /

Share of credit for tax paid by trustee **S** /

Share of credit for amounts withheld from foreign resident withholding **A** /

F

13 Personal services income (PSI)

Tax withheld – voluntary agreement **G**

Tax withheld where Australian business number not quoted **H**

Tax withheld – labour hire or other specified payments **J**

Net PSI – transferred from **A** item **P1** on page 9 **A** / ^{LOSS}

14 Net income or loss from business

Primary production – transferred from **Y** item **P8** on page 10 **B** / ^{LOSS}

Non-primary production – transferred from **Z** item **P8** on page 10 **C** / ^{LOSS}

If you show a loss at **B** or **C** you must complete item **P9** on page 11.

Tax withheld – voluntary agreement **D**

Tax withheld where Australian business number not quoted **W**

Tax withheld – foreign resident withholding **E**

Tax withheld – labour hire or other specified payments **F**

F

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004–05 INCOME YEAR

15 Deferred non-commercial business losses

Item P9 on page 11 must be completed before you complete this item.

Your share of deferred losses from partnership activities **F**

Deferred losses from sole trader activities **G**

Total deferred losses **H**

16 Net farm management deposits or withdrawals

E ^{LOSS} **F**

17 Capital gains

Did you have a capital gains tax event during the year? **G** Print **Y** for yes or **N** for no.

Net capital gain **A**

You must also print **Y** at **G** if you received a distribution of a capital gain from a trust.

Total current year capital gains **H**

Net capital losses carried forward to later income years **V**

18 Foreign entities

Did you have either a direct or indirect interest in a controlled foreign company (CFC)? **I** Print **Y** for yes or **N** for no.

CFC income **K**

Have you ever, either directly or indirectly, caused the transfer of property – including money – or services to a non-resident trust estate? **W** Print **Y** for yes or **N** for no.

Transferor trust income **B**

Did you have an interest in a foreign investment fund (FIF) or a foreign life assurance policy (FLP)? **J** Print **Y** for yes or **N** for no.

FIF and FLP income **C**

19 Foreign source income and foreign assets or property

Assessable foreign source income **E**

Net foreign employment and net foreign pension or annuity income WITHOUT an undeducted purchase price **L** ^{TYPE}

Net foreign pension or annuity income WITH an undeducted purchase price **D**

Other net foreign source income **M**

Also include at **F** Australian franking credits from a New Zealand company that you have received indirectly through a partnership or trust distribution.

Australian franking credits from a New Zealand company **F**

Exempt foreign employment income **N**

Foreign tax credits **O**

During the year did you own, or have an interest in, assets located outside Australia which had a total value of AUD\$50,000 or more? **P** Print **Y** for yes or **N** for no.

F

20 Rent

Gross rent **P**

Interest deductions **Q**

Capital works deductions **F**

Other rental deductions **U**

Net rent **P** less (**Q** + **F** + **U**) ^{LOSS}

21 Bonuses from life insurance companies and friendly societies

W

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004–05 INCOME YEAR

22 Other income

Type of income { Category 1 **Y** / **-00**
 Category 2 **V** / **-00**

Tax withheld – lump sum payments in arrears **E** **-00**

Taxable professional income **Z** **-00** **F**

TOTAL SUPPLEMENT INCOME OR LOSS Items 12 to 22 – add up the **Y** boxes for income amounts and deduct any loss amounts in the **V** boxes. **-00** ^{LOSS}
 Transfer this amount to **1** on page 2. ←

Deductions

D11 Australian film industry incentives **G** **-00**

D12 Deductible amount of undeducted purchase price of a foreign pension or annuity **Y** **-00**

D13 Non-employer sponsored superannuation contributions

Full name of fund Account number **H** **-00**

Fund Australian business number

Fund tax file number

D14 Deduction for project pool **D** **-00**

D15 Other deductions – not claimable at items D1 to D14 Election expenses **E** **-00**
 Description of claim Other deductions **J** **-00**

TOTAL SUPPLEMENT DEDUCTIONS Items D11 to D15 – add up the **J** boxes and transfer this amount to **D** on page 3. **-00**

Tax offsets

T7 Superannuation contributions on behalf of your spouse Contributions paid **-00** **A** **-00**
 You must also complete **Spouse details – married or de facto** on page 5.

T8 Zone or overseas forces **R** **-00**

T9 20% tax offset on net medical expenses over the threshold amount **X** **-00**

T10 Parent, spouse's parent or invalid relative **B** **-00**

T11 Landcare and water facility Landcare and water facility tax offset brought forward from earlier income years **T** **-00**

T12 Net income from working – supplementary section **M** **-00** ^{LOSS} Read the information on **T12** in *TaxPack 2005 supplement* before completing this item.

T13 Other tax offsets If you are entitled to a low-income tax offset, do not write it anywhere on your tax return. The Tax Office will calculate it for you. **C** **-00** ^{CLAIM TYPE} **F**

TOTAL SUPPLEMENT TAX OFFSETS Items T7, T8, T9, T10, T11 and T13 – add up the **A** boxes. **-00**
 Transfer this amount to **T** on page 3. ←

Adjustments

A3 Amount on which family trust distribution tax has been paid **X** **-00**
 Read the information on **A3** in *TaxPack 2005 supplement* before completing this item.

A4 Amount on which ultimate beneficiary non-disclosure tax was payable **Z** **-00**
 Read the information on **A4** in *TaxPack 2005 supplement* before completing this item.

Credit for interest on tax paid

C1 Credit for interest on early payments – amount of interest **L** **F**

PAGE 8 www.ato.gov.au

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004-05 INCOME YEAR

Business and professional items section

S1 Simplified tax system (STS) elections

Complete these labels if you are electing to enter the STS, you are continuing in the STS or you are exiting from the STS.

Entering or continuing

Only complete this column if you are entering or continuing in the STS.

Are you eligible for the STS? **G** Print Y for yes or leave blank.

Are you electing to enter the STS? **H** Print Y for yes or leave blank.

OR
Are you continuing in the STS? **R** Print Y for yes or leave blank.

Is your business grouped with another business? **I** Print Y for yes, N for no or leave blank.

Exiting

Only complete this column if you are exiting from the STS.

Eligible but choosing to leave? **S** Print Y for yes or leave blank.

OR
No longer eligible? **T** Print Y for yes or leave blank.

P1 Personal services income (PSI)

Print X in the appropriate box.

Did you receive any personal services income?

YES Read on. **NO** Go to item P2.

Part A

Did you satisfy the results test?

P **NO** Read on. **YES** Go to item P2.

Have you received a personal services business determination(s) that was in force for the whole of the period you earned PSI?

C **NO** Read on. **YES** Go to item P2.

Did you receive 80% or more of your PSI from one source?

Q **NO** Read on. **YES** Go to part B.

If you received less than 80% of your PSI from each source for the whole of the period you earned PSI and you satisfied any of the following personal services business tests, indicate which business test(s) you satisfied. Print X in the appropriate box(es). Refer to the publication *Business and professional items 2005* before you complete this question.

Unrelated clients test **D1** Employment test **E1** Business premises test **F1** If you printed X at **D1**, **E1** or **F1**, go to item P2 below; otherwise go to part B.

Part B

Do not show amounts at part B that were subject to foreign resident withholding. Show these at item P8.

PSI – voluntary agreement **M** -00

PSI – where Australian business number not quoted **N** -00

PSI – labour hire or other specified payments **O** -00

PSI – other **J** -00

Deductions for payments to associates for principal work **K** -00

Total amount of other deductions against PSI **L** -00

Net PSI (M + N + O + J) less (K + L) **A** -00 **F**

Transfer the amount at **A** above to **A** item 13 on page 6 of your tax return.

Complete items P2 and P3. Do not show at item P8 any amount you have shown at part B of item P1.

P2 Description of main business or professional activity

Industry code **A**

P3 Number of business activities

B

P4 Status of your business – print X in one box only.

Ceased business **C1**

Commenced business **C2**

P5 Business name of main business and Australian business number (ABN)

<input type="text"/>	
<input type="text"/>	ABN <input type="text"/>

P6 Business address of main business

<input type="text"/>		
Suburb or town <input type="text"/>	State <input type="text"/>	Postcode D <input type="text"/>

P7 Did you sell any goods or services using the internet?

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Q Print Y for yes or N for no.

F
PAGE 9

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004-05 INCOME YEAR

P8 Business income and expenses

Income

	Primary production	Non-primary production	Totals
Gross payments where Australian business number not quoted	C <input type="text" value="00"/>	D <input type="text" value="00"/>	<input type="text" value="00"/>
Gross payments subject to foreign resident withholding	A <input type="text" value="00"/>	B <input type="text" value="00"/>	<input type="text" value="00"/>
Gross payments – voluntary agreement	E <input type="text" value="00"/>	F <input type="text" value="00"/>	<input type="text" value="00"/>
Gross payments – labour hire or other specified payments	N <input type="text" value="00"/>	O <input type="text" value="00"/>	<input type="text" value="00"/>
Assessable government industry payments	G <input type="text" value="00"/>	H <input type="text" value="00"/>	<input type="text" value="00"/>
Other business income	I <input type="text" value="00"/>	J <input type="text" value="00"/>	<input type="text" value="00"/>

Total business income

Expenses

Opening stock	<input type="text" value="00"/>	<input type="text" value="00"/>	K <input type="text" value="00"/>
Purchases and other costs	<input type="text" value="00"/>	<input type="text" value="00"/>	L <input type="text" value="00"/>
Closing stock	<input type="text" value="00"/>	<input type="text" value="00"/>	M <input type="text" value="00"/>
Cost of sales (K + L - M)	<input type="text" value="00"/>	<input type="text" value="00"/>	<input type="text" value="00"/>
Foreign resident withholding expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	U <input type="text" value="00"/>
Contractor, subcontractor and commission expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	F <input type="text" value="00"/>
Superannuation expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	G <input type="text" value="00"/>
Bad debts	<input type="text" value="00"/>	<input type="text" value="00"/>	I <input type="text" value="00"/>
Lease expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	J <input type="text" value="00"/>
Rent expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	K <input type="text" value="00"/>
Interest expenses within Australia	<input type="text" value="00"/>	<input type="text" value="00"/>	Q <input type="text" value="00"/>
Interest expenses overseas	<input type="text" value="00"/>	<input type="text" value="00"/>	R <input type="text" value="00"/>
Depreciation expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	M <input type="text" value="00"/>
Motor vehicle expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	N <input type="text" value="00"/>
Repairs and maintenance	<input type="text" value="00"/>	<input type="text" value="00"/>	O <input type="text" value="00"/>
All other expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	P <input type="text" value="00"/>

Total expenses Add up the boxes for each column **S** **T**

Reconciliation items

Deduction for environmental protection expenses	<input type="text" value="00"/>	<input type="text" value="00"/>	V <input type="text" value="00"/>
Section 40-880 deduction	<input type="text" value="00"/>	<input type="text" value="00"/>	A <input type="text" value="00"/>
Business deduction for project pool	<input type="text" value="00"/>	<input type="text" value="00"/>	L <input type="text" value="00"/>
Landcare operations and business deduction for decline in value of water facility	<input type="text" value="00"/>	<input type="text" value="00"/>	W <input type="text" value="00"/>
Income reconciliation adjustments	<input type="text" value="00"/>	<input type="text" value="00"/>	X <input type="text" value="00"/>
Expense reconciliation adjustments	<input type="text" value="00"/>	<input type="text" value="00"/>	H <input type="text" value="00"/>

Net income or loss from business this year **B** **C**

Deferred non-commercial business losses from a prior year **D** **E**

Net income or loss from business **Y** **Z**

Transfer the amounts at **Y** and **Z** to item 14 on page 6.

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004–05 INCOME YEAR

P9 Business loss activity details

Show details of up to three business activities in which you made a net loss this year. List them in order of size of loss – greatest first. If you print loss code 8 at **G**, **M** or **S** you must also complete item 15 on page 7.

Activity 1 Description of activity **D** **F**

Industry code **E**
 Partnership (P) or sole trader (S) **F**
 Type of loss **G**
 Deferred non-commercial business loss from a prior year **H** ~~00~~
 Net loss **I** ~~00~~ **F**

Activity 2 Description of activity **J** **F**

Industry code **K**
 Partnership (P) or sole trader (S) **L**
 Type of loss **M**
 Deferred non-commercial business loss from a prior year **N** ~~00~~
 Net loss **O** ~~00~~ **F**

Activity 3 Description of activity **P** **F**

Industry code **Q**
 Partnership (P) or sole trader (S) **R**
 Type of loss **S**
 Deferred non-commercial business loss from a prior year **T** ~~00~~
 Net loss **U** ~~00~~ **F**

P10 STS depreciating assets

For completion by STS taxpayers only. STS taxpayers are not required to complete a *Capital allowances schedule 2005*.

Deduction for low-cost assets (less than \$1,000) **A** ~~00~~
 Deduction for general pool assets (less than 25 years) **B** ~~00~~
 Deduction for long-life pool assets (25 years or more) **C** ~~00~~

Other business and professional items

P11 Trade debtors **E** ~~00~~

P12 Trade creditors **F** ~~00~~

P13 Total salary and wage expenses **G** ~~00~~ TYPE

P14 Payments to associated persons **H** ~~00~~

P15 Intangible depreciating assets first deducted **I** ~~00~~

P16 Other depreciating assets first deducted **J** ~~00~~

P17 Termination value of intangible depreciating assets **D** ~~00~~

P18 Termination value of other depreciating assets **K** ~~00~~

P19 Trading stock election **P**

Print **Y** for yes or leave blank.

Hours taken to prepare and complete the Business and professional items section **S** **F**

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2004-05 INCOME YEAR

Consent to use part or all of your 2005 tax refund to repay your spouse's family tax benefit (FTB) overpayment

You must read the information on family tax benefit in *TaxPack 2005* before completing FTB claimant's details.

Only complete the details below if:

- you were the spouse of an FTB claimant on 30 June 2005 and your income was taken into account in their claim – check with your spouse – AND
- your spouse has given you authority to quote on your tax return their customer reference number (CRN) – if your spouse does not know their CRN they can contact the Family Assistance Office – AND
- your spouse expects to have an FTB overpayment for 2005, AND
- you expect to receive a tax refund for 2005, AND
- you consent to use part or all of your tax refund to repay your spouse's FTB overpayment.

Note: An FTB overpayment can only be raised after reconciliation has been completed. If an FTB overpayment is raised after your refund has been sent to you the Tax Office will not be able to use your refund to repay the FTB overpayment.

Spouse's CRN

Spouse's sex
 Print X in the relevant box. Male Female

Spouse's name
 Surname or family name
 Print full name. Given names

Spouse's date of birth

I consent to the Tax Office using part or all of my 2004-05 tax refund to repay the 2005 FTB overpayment of my spouse, whose details I have provided above. I have obtained my spouse's permission to quote their CRN.

Your signature Date

Taxpayer's declaration

Read and sign the declaration after completing your tax return, including the Supplementary section, Business and professional items section and other schedules if applicable.

I declare that:

- the information provided to my registered tax agent for the preparation of this tax return is true and correct, and
- I understand the Australian Taxation Office (ATO) has the right to review my tax return and, for a period of up to six years, to issue me with a revised assessment if a review shows any inaccuracies in income or entitlements that change my assessment, and
- I authorise my registered tax agent to lodge this tax return.

Taxpayer's signature Date

Important: The tax law imposes heavy penalties for giving false or misleading information.

Privacy:
 It is not an offence not to quote your tax file number (TFN). However, your assessment will be delayed if you do not quote your TFN. The ATO is authorised by the *Income Tax Assessment Act 1936* and the *Income Tax Assessment Act 1997* and the *A New Tax System (Family Assistance) (Administration) Act 1999* to ask for information on this tax return. We need this information to help us to administer the taxation laws. We may give this information to other government agencies authorised by law to receive it – for example, benefit payment agencies such as Centrelink, the Department of Education, Science and Training and the Department of Family and Community Services; law enforcement agencies such as the Australian Crime Commission; and other agencies such as the Child Support Agency, the Australian Bureau of Statistics and the Reserve Bank of Australia.

Tax agent's declaration


I,

declare that this tax return has been prepared in accordance with information supplied by the taxpayer, that the taxpayer has given me a declaration stating that the information provided to me is true and correct and that the taxpayer has authorised me to lodge the tax return.

Agent's signature Date Client's reference

Contact name Agent's telephone number Agent's reference number
Area code Telephone number

COMPANY TAX RETURN, 2004-05 INCOME YEAR

 <p>Australian Government Australian Taxation Office</p>	<h2 style="margin: 0;">Company tax return</h2> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="border: 1px solid black; padding: 2px;"> Day Month Year _____ </div> to <div style="border: 1px solid black; padding: 2px;"> Day Month Year _____ </div> </div> <p style="font-weight: bold; font-size: 10px;">Or specify period if part year or approved substitute period.</p>	<h1 style="margin: 0;">2005</h1>		
Notes to help you prepare this tax return are in the <i>Company tax return instructions 2005</i> (the instructions), available from the Tax Office.	Tax file number (TFN) <input style="width: 100%;" type="text"/>	Is a payment due? <input type="checkbox"/> Is a refund due? <input type="checkbox"/>		
Name of company and Australian business number (ABN)	<input style="width: 100%; height: 20px;" type="text"/>			
Previous name of company	<input style="width: 100%; height: 20px;" type="text"/>			
If the company name has changed, print the previous name exactly as shown on the last tax return lodged and show Australian company number (ACN) or Australian registered business number (ARBN).	ACN or ARBN* <input style="width: 100%;" type="text"/>	* Cross out whichever is not applicable		
Current postal address	<input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/> Suburb or town <input style="width: 20%; border: none;" type="text"/> State <input style="width: 10%; border: none;" type="text"/> Postcode <input style="width: 10%; border: none;" type="text"/>			
If the address has not changed, print it exactly as shown on the last tax return lodged.				
Postal address on previous tax return	<input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/> Suburb or town <input style="width: 20%; border: none;" type="text"/> State <input style="width: 10%; border: none;" type="text"/> Postcode <input style="width: 10%; border: none;" type="text"/>			
If the address has changed, print the previous address exactly as shown on the last tax return lodged.				
Business address of main business	<input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/> Suburb or town <input style="width: 20%; border: none;" type="text"/> State <input style="width: 10%; border: none;" type="text"/> Postcode <input style="width: 10%; border: none;" type="text"/>			
If the address has not changed, print it exactly as shown on the last tax return lodged.				
Final tax return	<input style="width: 100%; height: 20px;" type="text"/>			
1 Ultimate holding company name and ABN or country code	<input style="width: 100%; height: 20px;" type="text"/>			
ABN or country code* <input style="width: 100%;" type="text"/>	* Cross out whichever is not applicable			
Immediate holding company name and ABN	<input style="width: 100%; height: 20px;" type="text"/>			
ABN <input style="width: 100%;" type="text"/>				
2 Description of main business activity	Industry code B <input style="width: 100%;" type="text"/>			
	Percentage of foreign shareholding A <input style="width: 100%;" type="text"/> %			
3 Status of company – print X in a box if applicable	Pooled development fund D5 <input type="checkbox"/> Private D9 <input type="checkbox"/> Resident C1 <input type="checkbox"/> Cooperative D1 <input type="checkbox"/> Non-resident C2 <input type="checkbox"/> Non-profit D3 <input type="checkbox"/> Non-resident permanent estab. C3 <input type="checkbox"/> Strata title D4 <input type="checkbox"/> Limited partnership D6 <input type="checkbox"/> Corporate unit trust D7 <input type="checkbox"/> Public trading trust D8 <input type="checkbox"/> Consolidated head company Z1 <input type="checkbox"/> Consolidated subsidiary member Z2 <input type="checkbox"/> Multiple business E1 <input type="checkbox"/> Ceased business E2 <input type="checkbox"/> Commenced business E3 <input type="checkbox"/>			
4 Interposed entity election status	income year, print the appropriate election status code for the company at F . If making one or more elections from a day in the 2004-05 income year, complete and attach the <i>Interposed entity election 2005</i> . F <input type="checkbox"/>			
5 Simplified tax system (STS) elections – complete these labels if you are electing to enter the STS, you are continuing in the STS or you are exiting the STS	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black; padding: 5px;"> Entering or continuing – only complete this column if you are entering or continuing in the STS Are you eligible for the STS? G <input type="checkbox"/> Print Y for yes or leave blank. Are you electing to enter the STS? H <input type="checkbox"/> Print Y for yes or leave blank. OR Are you continuing in the STS? R <input type="checkbox"/> Print Y for yes or leave blank. Is your business grouped with another business? I <input type="checkbox"/> Print Y for yes or N for no or leave blank. </td> <td style="width: 50%; padding: 5px;"> Exiting – only complete this column if you are exiting the STS Eligible but choosing to leave? S <input type="checkbox"/> Print Y for yes or leave blank. OR No longer eligible? T <input type="checkbox"/> Print Y for yes or leave blank. </td> </tr> </table>		Entering or continuing – only complete this column if you are entering or continuing in the STS Are you eligible for the STS? G <input type="checkbox"/> Print Y for yes or leave blank . Are you electing to enter the STS? H <input type="checkbox"/> Print Y for yes or leave blank . OR Are you continuing in the STS? R <input type="checkbox"/> Print Y for yes or leave blank . Is your business grouped with another business? I <input type="checkbox"/> Print Y for yes or N for no or leave blank .	Exiting – only complete this column if you are exiting the STS Eligible but choosing to leave? S <input type="checkbox"/> Print Y for yes or leave blank . OR No longer eligible? T <input type="checkbox"/> Print Y for yes or leave blank .
Entering or continuing – only complete this column if you are entering or continuing in the STS Are you eligible for the STS? G <input type="checkbox"/> Print Y for yes or leave blank . Are you electing to enter the STS? H <input type="checkbox"/> Print Y for yes or leave blank . OR Are you continuing in the STS? R <input type="checkbox"/> Print Y for yes or leave blank . Is your business grouped with another business? I <input type="checkbox"/> Print Y for yes or N for no or leave blank .	Exiting – only complete this column if you are exiting the STS Eligible but choosing to leave? S <input type="checkbox"/> Print Y for yes or leave blank . OR No longer eligible? T <input type="checkbox"/> Print Y for yes or leave blank .			

COMPANY TAX RETURN, 2004-05 INCOME YEAR

Information statement To be completed by all companies

6 Calculation of total profit or loss

Income

Gross payments subject to foreign resident withholding **B**

Gross payments where ABN not quoted **A**

Other sales of goods and services **C**

Gross distribution from partnerships **D**

Gross distribution from trusts **E** CODE

Gross interest **F**

Gross rent and other leasing and hiring income **G**

Total dividends **H**

Fringe benefit employee contributions **I**

Assessable government industry payments **Q** CODE

Other gross income **R**

Total income **S** **F**

Expenses

Foreign resident withholding expenses **B**

Cost of sales **A**

Contractor, sub-contractor and commission expenses **C**

Employee superannuation **D**

Bad debts **E**

Lease expenses within Australia **F**

Lease expenses overseas **I**

Rent expenses **H**

Interest expenses within Australia **V**

Interest expenses overseas **J**

Royalty expenses within Australia **W**

Royalty expenses overseas **U**

Depreciation expenses **X** CODE

Motor vehicle expenses **Y**

Repairs and maintenance **Z**

All other expenses **S**

Total expenses **Q**

Do you need to complete a *Research and development tax concession schedule 2005?*

Do you need to complete a *Losses schedule 2005?*

Operating profit or loss

Subtract **Total expenses** **Q** from **Total income** **S** **R**

Extraordinary revenue or expenses **N**

Total profit or loss **T** **F**

7 Reconciliation to taxable income or loss

Total profit or loss amount shown at **T** item 6

Did you have a CGT event during the year? **G** Print **Y** for yes or **N** for no.

Do you need to complete a *CGT schedule 2005?*

Also print **Y** for yes at **G** if the company received a distribution of a capital gain from a trust.

Add:

Net capital gain **A**

Non-deductible exempt income expenditure **U**

Franking credits **J**

Australian franking credits from a New Zealand company **C**

Other assessable income **B**

Non-deductible expenses **W**

Accounting expenditure in item 6 subject to R&D tax concession **D**

Subtotal

F

Less:

Section 46FA deductions for flow-on dividends **C**

Deduction for decline in value of depreciating assets **F**

Immediate deduction for capital expenditure **E**

Deduction for project pool **H**

Capital works deductions **I**

Section 40-880 deduction **Z**

R&D tax concession - not including label **M** CODE

Incremental R&D (additional 50%) deduction **M**

Landcare operations and deduction for decline in value of water facility **N**

Deduction for environmental protection expenses **O**

Offshore banking unit adjustment **P**

Exempt income **V**

Other income not included in assessable income **Q**

Other deductible expenses **X**

Tax losses deducted **R**

Tax losses transferred in - only applies to Australian branches of foreign banks **S**

Subtraction items subtotal

Add:

R&D tax offset, if chosen **Y**

Taxable income or loss

T **F**

COMPANY TAX RETURN, 2004-05 INCOME YEAR

8 Financial and other information

Functional currency translation rate	N <input type="text"/>	Excess franking offsets	H <input type="text"/>	
Functional currency chosen	O <input type="text"/>	Balance of unfranked non-portfolio dividend account at year end	L <input type="text"/>	
Opening stock	A <input type="text"/>	Loans to shareholders and their associates	N <input type="text"/> <small>CODE</small>	
Purchases and other costs	S <input type="text"/>	Intangible depreciating assets first deducted	Z <input type="text"/>	
Closing stock	B <input type="text"/> <small>CODE</small>	Other depreciating assets first deducted	A <input type="text"/>	
Trading stock election	<input type="checkbox"/> Print Y for yes or leave blank.	Termination value of intangible depreciating assets	P <input type="text"/>	
Trade debtors	C <input type="text"/>	Termination value of other depreciating assets	E <input type="text"/>	
All current assets	D <input type="text"/>	Total salary and wage expenses	D <input type="text"/> <small>CODE</small>	
Total assets	E <input type="text"/>	Payments to associated persons	Q <input type="text"/>	
Trade creditors	F <input type="text"/>	Net foreign income	R <input type="text"/>	
All current liabilities	G <input type="text"/>	Tax spared foreign tax credits	S <input type="text"/>	
Total liabilities	H <input type="text"/>	Do you need to complete a <i>Losses schedule 2005</i> ? Attributed foreign income	Listed country	B <input type="text"/>
Total debt	J <input type="text"/>		Section 404 country	C <input type="text"/>
Commercial debt forgiveness	K <input type="text"/>		Unlisted country	U <input type="text"/>
Shareholders' funds	R <input type="text"/> <small>F</small>		Transferor trust	V <input type="text"/>
Franked dividends paid	J <input type="text"/>		Foreign investment fund income	W <input type="text"/>
Unfranked dividends paid	K <input type="text"/>	Foreign life policy	X <input type="text"/>	
Franking account balance	M <input type="text"/>	Section 128F exempt interest paid	O <input type="text"/>	
		Interest to financial institution exempt from withholding under a DTA	I <input type="text"/>	
		DTA country	Y <input type="text"/> <small>F</small>	

9 STS depreciating assets For completion by STS taxpayers only. STS taxpayers are not required to complete a *Capital allowances schedule 2005*.

Deduction for low-cost assets (less than \$1,000)	Deduction for general pool assets (less than 25 years)	Deduction for long-life pool assets (25 years or more)
A <input type="text"/> <small>.00</small>	B <input type="text"/> <small>.00</small>	C <input type="text"/> <small>.00</small>

10 Losses information

Tax losses carried forward to later income years **U**

Net capital losses carried forward to later income years **V**

Complete and attach a *Consolidated groups losses schedule 2005* or a *Losses schedule 2005*, as applicable, if the sum of **U** and **V** is greater than \$100,000. Refer to the applicable schedule instructions for full details of who must complete the schedule.

11 Personal services income Does your income include an individual's personal services income? **N** Print **Y** for yes or **N** for no. **F**

If you printed **Y** at **N**, complete and attach a *Personal services income schedule 2005*.

12 Licensed clubs only Percentage of non-member income **A** %

13 Life insurance companies and friendly societies only

Complying superannuation class	B <input type="text"/>	Gross taxable contributions	E <input type="text"/>
Net capital gain - complying super class	C <input type="text"/>	Fees and charges	F <input type="text"/>
Net capital gain - ordinary class	D <input type="text"/>	Non-assessable management fees	J <input type="text"/>


14 Pooled development funds

Small and medium sized enterprises income	G <input type="text"/>	Unregulated investment income	H <input type="text"/>
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COMPANY TAX RETURN, 2004–05 INCOME YEAR

15 Retirement savings accounts (RSAs) providers only		Total deductions from RSAs	T <input style="width: 100px;" type="text"/>
Gross income of RSAs	R <input style="width: 100px;" type="text"/>	Exempt income from RSAs	S <input style="width: 100px;" type="text"/>
Gross taxable contributions of RSAs	W <input style="width: 100px;" type="text"/>	Net taxable income from RSAs	V <input style="width: 100px;" type="text"/>
16 Landcare and water facility tax offset		Landcare and water facility tax offset brought forward from prior years	K <input style="width: 100px;" type="text"/>
17 Internet trading		Did you sell any goods or services using the internet?	Q <input type="checkbox"/> Print Y for yes or N for no.
Overseas transactions or interests/thin capitalisation/foreign source income – the following questions must be answered. If you printed Y at items 19 or 20 , complete and attach a <i>Schedule 25A 2005</i> .			
International related party dealings/transfer pricing			
18 Did you have any transactions or dealings with international related parties (irrespective of whether they were on revenue or capital account)? Such transactions or dealings include the transfer of tangible or intangible property and any new or existing financial arrangements.	X <input type="checkbox"/>	Print Y for yes or N for no.	
19 Was the aggregate amount of the transactions or dealings with international related parties (including the value of property transferred or the balance outstanding on any loans) greater than \$1 million?	Y <input type="checkbox"/>	Print Y for yes or N for no.	
20 Overseas interests Did you have an overseas branch or a direct or indirect interest in a foreign trust, controlled foreign entity, transferor trust, foreign investment fund or foreign life policy?	Z <input type="checkbox"/>	Print Y for yes or N for no.	
21 Thin capitalisation Did the thin capitalisation provisions apply as outlined in the instructions and the <i>Guide to thin capitalisation</i> ? If yes, complete the <i>Thin capitalisation schedule 2005</i> .	O <input type="checkbox"/>	Print Y for yes or N for no.	
22 Foreign source income Was the amount of foreign tax credits paid or carried forward greater than \$100,000, OR was the amount of assessable foreign income greater than \$500,000?	P <input type="checkbox"/>	Print Y for yes or N for no.	
23 Transactions with specified countries Did you directly or indirectly send to, or receive from, one of the countries specified in the instructions, any funds or property, OR Do you have the ability or expectation, to control, whether directly or indirectly, the disposition of any funds, property, assets or investments located in, or located elsewhere but controlled or managed from one of those countries?	I <input type="checkbox"/>	Print Y for yes or N for no. F	
Calculation statement		Taxable or net income	A <input style="width: 100px;" type="text"/> .00
Foreign tax credits	D <input style="width: 100px;" type="text"/> :	Gross tax	B <input style="width: 100px;" type="text"/> :
Franking deficit tax offset	E <input style="width: 100px;" type="text"/> :	Less: Rebates/tax offsets	C <input style="width: 100px;" type="text"/> :
PAYG instalments raised	T <input style="width: 100px;" type="text"/> :	Tax assessed	<input style="width: 100px;" type="text"/> :
Credit for interest on early payments – amount of interest	V <input style="width: 100px;" type="text"/> :	Less: Total of D and E	G <input style="width: 100px;" type="text"/> :
Credit for tax withheld – foreign resident withholding	I <input style="width: 100px;" type="text"/> .00	Tax payable	<input style="width: 100px;" type="text"/> :
Credit for tax withheld where ABN not quoted	W <input style="width: 100px;" type="text"/> .00	Add: Section 102AAM interest	H <input style="width: 100px;" type="text"/> :
Tax withheld from interest/investments	Y <input style="width: 100px;" type="text"/> :	Less: Total of T , V , I , W , Y , U and Z	R <input style="width: 100px;" type="text"/> :
R&D tax offset	U <input style="width: 100px;" type="text"/> :	Total amount of tax payable (+) or refundable (-)	S <input style="width: 100px;" type="text"/> : F
Other refundable credits	Z <input style="width: 100px;" type="text"/> :		
Tax agent's declaration	I <input style="width: 100px;" type="text"/>	declare that this tax return has been prepared in accordance with information supplied by the taxpayer, that the taxpayer has given me a declaration stating that the information provided to me is true and correct and that the taxpayer has authorised me to lodge the tax return.	
Agent's signature	Date	Client's reference	
<input style="width: 100px;" type="text"/>	Day Month Year <input style="width: 100px;" type="text"/>	<input style="width: 100px;" type="text"/>	
Contact name	Agent's telephone number	Agent's reference number	
<input style="width: 100px;" type="text"/>	Area code Number <input style="width: 100px;" type="text"/>	<input style="width: 100px;" type="text"/>	
Declaration	I declare that the information in this tax return is true and correct.	Date	Hours taken to prepare and complete this tax return J <input style="width: 100px;" type="text"/> F
Public officer's signature		Day Month Year <input style="width: 100px;" type="text"/>	
Title			
Public officer's name	Daytime contact number	Area code F <input style="width: 100px;" type="text"/> F	
		Number <input style="width: 100px;" type="text"/>	

PARTNERSHIP TAX RETURN, 2004-05 INCOME YEAR

 <p>Australian Government Australian Taxation Office</p>	<h2 style="margin: 0;">Partnership tax return</h2> <h1 style="margin: 0; font-size: 2em;">2005</h1>	
Day Month Year to Day Month Year _____ to _____ or specify period if part year or approved substitute period		
Notes to help you prepare this tax return are provided in the <i>Partnership and trust tax return instructions 2005</i> (the instructions), available from the Tax Office.	Tax file number (TFN) _____	Have you attached any 'other attachments'? <input type="checkbox"/>
Name of partnership and Australian business number (ABN) _____ _____ ABN _____		
Previous name of partnership If the partnership name has changed, print the previous name exactly as shown on the last tax return lodged. _____ _____		
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 _____ Country – if not Australia		
Postal address on previous tax return If the address has changed, print your previous address exactly as shown on the last tax return lodged. _____ _____ Suburb or town State Postcode _____ Country – if not Australia		
Full name of the partner to whom notices should be sent <ul style="list-style-type: none"> • If the partner is an individual, print details here. • If the partner is a company or trust, print details here including ABN. 	Title – for example, Mr, Mrs, Ms, Miss _____ Surname or family name Given names _____ Name _____ _____ ABN _____	
Interposed entity election status If the partners have made or are making one or more interposed entity elections from a day in the 2004-05 income year or an earlier income year, print the appropriate election status code for the partnership. If making one or more elections from a day in the 2004-05 income year, complete and attach the <i>Interposed entity election 2005</i> . <input type="checkbox"/>		
TFN of former partnership If the partnership arose as a result of a reconstitution _____	Final tax return <input type="checkbox"/>	
Important: Before making this declaration check to ensure that all income has been disclosed and the tax return is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the Tax Office. The income tax law imposes heavy penalties for false or misleading statements in tax returns.		
Declaration: I declare that the information in this tax return is true and correct.		
Hours taken to prepare and complete this tax return _____	Signature _____	Date Day Month Year _____
This declaration and all attached documents must be signed by a partner.		
Tax agent's declaration I, _____ declare that this tax return has been prepared in accordance with information supplied by the taxpayer, that the taxpayer has given me a declaration stating that the information provided to me is true and correct and that the taxpayer has authorised me to lodge the tax return.		
Agent's signature _____	Date Day Month Year _____	Client's reference _____
Contact name _____	Agent's telephone number Area code Telephone number _____	Agent's reference number _____
		Office use only Indics X <input type="checkbox"/> F
NAT 0659-6.2005		IN CONFIDENCE when completed
		PAGE 1

PARTNERSHIP TAX RETURN, 2004-05 INCOME YEAR

1 Description of main business activity

Industry code **A**

2 Status of business – print X at label **B1**, **B2** or **B3**, whichever is the first applicable option, or leave blank.

Multiple business **B1** Ceased business **B2** Commenced business **B3**

Consolidation status – print X at label **Z2** if applicable

Consolidated subsidiary member **Z2**

3 Simplified tax system (STS) elections – complete these labels if you are electing to enter the STS, you are continuing in the STS or you are exiting the STS.

Entering or continuing – only complete this column if you are entering or continuing in the STS.

Are you eligible for the STS? **G** Print Y for yes or leave blank.

Are you electing to enter the STS? **H** Print Y for yes or leave blank.

OR

Are you continuing in the STS? **R** Print Y for yes or leave blank.

Is your business grouped with another business? **I** Print Y for yes or N for no or leave blank.

Exiting – only complete this column if you are exiting the STS.

Eligible but choosing to leave? **S** Print Y for yes or leave blank.

OR

No longer eligible? **T** Print Y for yes or leave blank.

4 Did you sell any goods or services using the internet? **Q** Print Y for yes or N for no. **F**

Income excluding foreign income

5 Business income and expenses

	Primary production	Non-primary production	Totals
Gross payments where ABN not quoted C	<input type="text"/> -00	D <input type="text"/> -00	<input type="text"/> -00
Gross payments subject to foreign resident withholding A	<input type="text"/> -00	B <input type="text"/> -00	<input type="text"/> -00
Assessable government industry payments E	<input type="text"/> -00 / <input type="text"/> CODE	F <input type="text"/> -00 / <input type="text"/> CODE	<input type="text"/> -00
Other business income G	<input type="text"/> -00 / <input type="text"/>	H <input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/> F
Total business income	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>

Expenses

Foreign resident withholding expenses	<input type="text"/> -00	<input type="text"/> -00	P <input type="text"/> -00
Contractor, sub-contractor and commission expenses	<input type="text"/> -00	<input type="text"/> -00	C <input type="text"/> -00
Superannuation expenses	<input type="text"/> -00	<input type="text"/> -00	D <input type="text"/> -00
Cost of sales	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	E <input type="text"/> -00 / <input type="text"/>
Bad debts	<input type="text"/> -00	<input type="text"/> -00	F <input type="text"/> -00
Lease expenses	<input type="text"/> -00	<input type="text"/> -00	G <input type="text"/> -00
Rent expenses	<input type="text"/> -00	<input type="text"/> -00	H <input type="text"/> -00
Total interest expenses	<input type="text"/> -00	<input type="text"/> -00	I <input type="text"/> -00
Total royalty expenses	<input type="text"/> -00	<input type="text"/> -00	J <input type="text"/> -00
Depreciation expenses	<input type="text"/> -00	<input type="text"/> -00	K <input type="text"/> -00 / <input type="text"/> CODE
Motor vehicle expenses	<input type="text"/> -00	<input type="text"/> -00	L <input type="text"/> -00 / <input type="text"/> CODE
Repairs and maintenance	<input type="text"/> -00	<input type="text"/> -00	M <input type="text"/> -00
All other expenses	<input type="text"/> -00	<input type="text"/> -00	N <input type="text"/> -00
Total expenses – labels P to N	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	O <input type="text"/> -00 / <input type="text"/>

Reconciliation items

Add: Income reconciliation adjustments	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	A <input type="text"/> -00 / <input type="text"/>
Add: Expense reconciliation adjustments	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	B <input type="text"/> -00 / <input type="text"/>
Net income or loss from business Q	<input type="text"/> -00 / <input type="text"/>	R <input type="text"/> -00 / <input type="text"/>	S <input type="text"/> -00 / <input type="text"/>

PAGE 2 www.ato.gov.au

PARTNERSHIP TAX RETURN, 2004–05 INCOME YEAR

6 Tax withheld	Tax withheld where ABN not quoted T <input style="width: 100px;" type="text" value="00"/>			
	Credit for tax withheld – foreign resident withholding U <input style="width: 100px;" type="text" value="00"/>			F
<hr/>				
8 Partnerships and trusts				
Primary production	Distribution from partnerships A <input style="width: 100px;" type="text" value="00"/>			
	Distribution from trusts Z <input style="width: 100px;" type="text" value="00"/>			
	Deductions relating to distribution in labels A and Z S <input style="width: 100px;" type="text" value="00"/>			
	Net primary production distribution <input style="width: 100px;" type="text" value="00"/>			
Non-primary production	Distribution from partnerships, less foreign income B <input style="width: 100px;" type="text" value="00"/>			
	Distribution from trusts, less net capital gain and foreign income R <input style="width: 100px;" type="text" value="00"/>			
	Deductions relating to distribution in labels B and R T <input style="width: 100px;" type="text" value="00"/>			
	Net non-primary production distribution <input style="width: 100px;" type="text" value="00"/>			
Distributions of foreign income must be included at item 19 or 20.				
Share of credits from income				
	Share of credit for tax withheld where ABN not quoted C <input style="width: 100px;" type="text" value="00"/>			
	Share of franking credit from franked dividends D <input style="width: 100px;" type="text" value=""/>			
	Share of credit for TFN amounts withheld from interest and dividends E <input style="width: 100px;" type="text" value=""/>			
<hr/>				
9 Rent	Gross rent F <input style="width: 100px;" type="text" value="00"/>			
	Interest deductions G <input style="width: 100px;" type="text" value="00"/>			
	Capital works deductions X <input style="width: 100px;" type="text" value="00"/>			
	Other rental deductions H <input style="width: 100px;" type="text" value="00"/>			
	Net rent <input style="width: 100px;" type="text" value="00"/>			
<hr/>				
10 Gross interest – including Australian Government loan interest				J <input style="width: 100px;" type="text" value="00"/>
	TFN amounts withheld from gross interest I <input style="width: 100px;" type="text" value=""/>			
<hr/>				
11 Dividends	Unfranked amount K <input style="width: 100px;" type="text" value="00"/>			
	Franked amount L <input style="width: 100px;" type="text" value="00"/>			
	Franking credit M <input style="width: 100px;" type="text" value="00"/>			
	TFN amounts withheld from dividends N <input style="width: 100px;" type="text" value=""/>			
<hr/>				
12 Other Australian income – give details				
Type of income	<input style="width: 400px;" type="text"/>			O <input style="width: 100px;" type="text" value="00"/>
<hr/>				
13 Total of items 5 to 12	Add the <input style="width: 10px;" type="checkbox"/> boxes			<input style="width: 100px;" type="text" value="00"/>

PARTNERSHIP TAX RETURN, 2004–05 INCOME YEAR

Deductions

14 Deductions relating to Australian investment income **P** **.00**

15 Other deductions – show only deductions not claimable at any other item

Name of each item of deduction.	Amount
<input type="text"/>	<input type="text" value=""/> .00
<input type="text"/>	<input type="text" value=""/> .00

Q **.00**

16 Total of items 14 and 15 **.00**

17 Net Australian income or loss Subtract item **16** from item **13**. **\$** **.00** / **F**

Foreign income

19 Attributed foreign income

Did you have either a direct or indirect interest in a foreign trust, controlled foreign company or transferor trust? **S** Print **Y** for yes or **N** for no. Listed country **M** **.00**

Did you have an interest in a foreign investment fund (FIF) or a foreign life assurance policy (FLP)? **T** Print **Y** for yes or **N** for no. Section 404 country **U** **.00**

Unlisted country **X** **.00**

FIF/FLP income **Y** **.00**

If you printed **Y** at label **S** or **T**, complete and attach a *Schedule 25A 2005*.

20 Other assessable foreign source income – other than income shown at item **19**

Gross **B** **.00** Net **V** **.00**

Foreign tax credits **Z**

Also include at label **D** Australian franking credits from a New Zealand company that you have received indirectly through a partnership or trust distribution. Australian franking credits from a New Zealand company **D** **.00**

21 Total net income or loss Total of items **17** to **20** – add the boxes **.00** /

Overseas transactions

26 Overseas transactions

Was the aggregate amount of your transactions or dealings with international related parties (including the value of any property/service transferred or the balance of any loans) greater than \$1 million? **W** Print **Y** for yes or **N** for no.

If you printed **Y** at label **W**, complete and attach a *Schedule 25A 2005*.

Transactions with specified countries

Did you directly or indirectly send to, or receive from, one of the countries specified in the instructions, any funds or property or Do you have the ability or expectation to control, whether directly or indirectly, the disposition of any funds, property, assets or investments located in, or located elsewhere but controlled or managed from one of those countries? **C** Print **Y** for yes or **N** for no.

There is not a schedule to be completed for 'Transactions with specified countries'.

PAGE 4 www.ato.gov.au

PARTNERSHIP TAX RETURN, 2004-05 INCOME YEAR

28 Personal services income

If you printed **Y** at label **N**, complete and attach a *Personal services income schedule 2005*.

Does your income include an individual's personal services income? **N** Print **Y** for yes or **N** for no.

F

Key financial information

29 All current assets **F** -00

32 Total liabilities **J** -00

30 Total assets **G** -00

33 Proprietors' funds **K** -00 /

31 All current liabilities **I** -00

Business and professional items

The following information must be filled in for all partnerships carrying on a business.

34 Business name of main business

35 Business address of main business

<input type="text"/>		
<input type="text"/>		
Suburb or town	State	Postcode A

36 Opening stock **C** -00

46 Termination value of other depreciating assets **W** -00

37 Purchases and other costs **B** -00

47 Deduction for project pool **P** -00

38 Closing stock **D** -00 / CODE

48 Section 40-880 deduction **X** -00

39 Trade debtors **E** -00

49 Fringe benefit employee contributions **T** -00

40 Trade creditors **H** -00

50 Interest expenses overseas **Q** -00

41 Total salary and wage expenses **L** -00 / CODE

51 Royalty expenses overseas **R** -00

42 Payments to associated persons **M** -00

53 Deduction for environmental protection expenses **V** -00

43 Intangible depreciating assets first deducted **N** -00

55 Trading stock election Print **Y** for yes or leave blank.

44 Other depreciating assets first deducted **U** -00

F

45 Termination value of intangible depreciating assets **O** -00

For completion by STS taxpayers only. STS taxpayers are not required to complete a *Capital allowances schedule 2005*.

56 STS depreciating assets **A** -00
Deduction for low cost assets (less than \$1,000)

B -00
Deduction for general pool assets (less than 25 years)

C -00
Deduction for long life pool assets (25 years or more)

F

PARTNERSHIP TAX RETURN, 2004-05 INCOME YEAR


58 Statement of distribution of net Australian income or loss as shown at item 17

1 Name in full of each partner, and TFN or postal address – if the partner is a trustee, including a trustee company, show the name of the trust not the name of the trustee.	2 Share of income		3 Credit for tax withheld where ABN not quoted \$	4 Franking credit \$	5 TFN amounts withheld \$	6 Credit for tax withheld – foreign resident withholding \$	7 Australian franking credits from a New Zealand company \$
	A Primary production \$/L	B Non-primary production \$/L					
TFN	A	B	C	D	E	F	G
TFN	A	B	C	D	E	F	G
TFN	A	B	C	D	E	F	G
TFN	A	B	C	D	E	F	G
TFN	A	B	C	D	E	F	G
Totals of each column							
	A	B	C	D	E	F	G

⊕

Important
If any partner 18 years of age or older at 30 June 2005 does not have real and effective control over their share of income, print their name(s).

TRUST TAX RETURN, 2004-05 INCOME YEAR

 <p>Australian Government Australian Taxation Office</p>	<p>Trust tax return</p> <p>Day Month Year to Day Month Year</p> <p>or specify period if part year or approved substitute period</p>	<p>2005</p>
<p>Notes to help you prepare this tax return are provided in the <i>Partnership and trust tax return instructions 2005</i> (the instructions), available from the Tax Office.</p>		
<p>Name of trust and Australian business number (ABN)</p> <p>_____</p> <p style="text-align: right;">ABN _____</p>		<p>Tax file number (TFN)</p> <p>_____</p> <p>Have you attached any 'other attachments'? <input type="checkbox"/></p>
<p>Previous name of trust If the trust name has changed, print the previous name exactly as shown on the last notice of assessment or the last tax return lodged.</p> <p>_____</p>		
<p>Current postal address If the address has not changed, print it exactly as shown on the last notice of assessment or the last tax return lodged.</p> <p>_____</p> <p>Suburb or town _____ State _____ Postcode _____</p> <p>Country – if not Australia _____</p>		
<p>Postal address on previous tax return If the address has changed, print your previous address exactly as shown on the last notice of assessment or the last tax return lodged.</p> <p>_____</p> <p>Suburb or town _____ State _____ Postcode _____</p> <p>Country – if not Australia _____</p>		
<p>Full name of the trustee to whom notices should be sent</p> <ul style="list-style-type: none"> • If the trustee is an individual, print details here. • If the trustee is a company, print details here including ABN. 		<p>Title – for example, Mr, Mrs, Ms, Miss _____</p> <p>Surname or family name _____ Given names _____</p> <p>Name _____</p> <p style="text-align: right;">ABN _____</p>
<p>Daytime contact telephone number</p> <p>Area code _____ Telephone number _____</p>		
<p>Family trust/Interposed entity election status If the trustee(s) has/have made or is/are making or revoking a family trust election and/or made or is/are making one or more interposed entity elections for the 2004-05 income year or an earlier income year, print the appropriate election status code for the trust. If making one or more elections or revoking a family trust election for the 2004-05 income year, complete and attach the <i>Family trust election and/or family trust revocation 2005</i> and/or the <i>Interposed entity election 2005</i>.</p> <p style="text-align: right;">_____</p>		
<p>Type of trust Print the code representing the type of trust. <input type="checkbox"/> Print X if also an item 1.5 charitable trust in section 50-5 of ITAA 1997. <input type="checkbox"/> If code D, write the date of death. Day Month Year _____</p>		
<p>Is any tax payable by the trustee? <input type="checkbox"/> Print Y for yes or N for no.</p>		<p>Final tax return <input type="checkbox"/></p>
<p>Electronic funds transfer (EFT) Do you want to use EFT for your refund this year? <input type="checkbox"/> Print Y for yes or N for no. <input type="checkbox"/> If you printed Y, complete the account details – do not provide details if they are the same as last year.</p> <p>BSB number Must be six digits _____ Account number _____</p> <p>Account name _____</p>		
<p>Important: Before making this declaration check to ensure that all income has been disclosed and the tax return is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the Tax Office. The income tax law imposes heavy penalties for false or misleading statements in tax returns. This declaration and all attached documents must be signed by a trustee or public officer.</p>		
<p>Declaration: I declare that the information in this tax return is true and correct.</p> <p>Hours taken to prepare and complete this tax return _____ Signature _____ Date Day Month Year _____</p>		
<p>Tax agent's declaration I, _____</p> <p>declare that this tax return has been prepared in accordance with information supplied by the taxpayer, that the taxpayer has given me a declaration stating that the information provided to me is true and correct and that the taxpayer has authorised me to lodge the tax return.</p> <p>Agent's signature _____ Date Day Month Year _____ Client's reference _____</p> <p>Contact name _____ Agent's telephone number _____ Agent's reference number _____ Office use only _____</p> <p>Area code _____ Telephone number _____ Indics X _____</p>		
<p>NAT 0660-6.2005</p>		<p>IN CONFIDENCE when completed</p> <p>PAGE 1</p>

TRUST TAX RETURN, 2004-05 INCOME YEAR

1 Description of main business activity

Industry code **A**

2 Status of business – print X at label **B1**, **B2** or **B3**, whichever is the first applicable option, or leave blank.

Multiple business **B1** Ceased business **B2** Commenced business **B3**

Consolidation status – print X at label **Z2** if applicable

Consolidated subsidiary member **Z2**

3 Simplified tax system (STS) elections – complete these labels if you are electing to enter the STS, you are continuing in the STS or you are exiting the STS.

Entering or continuing – only complete this column if you are entering or continuing in the STS.

Are you eligible for the STS? **G** Print Y for yes or leave blank.

Are you electing to enter the STS? **H** Print Y for yes or leave blank.

OR

Are you continuing in the STS? **R** Print Y for yes or leave blank.

Is your business grouped with another business? **I** Print Y for yes or N for no or leave blank.

Exiting – only complete this column if you are exiting the STS.

Eligible but choosing to leave? **S** Print Y for yes or leave blank.

OR

No longer eligible? **T** Print Y for yes or leave blank.

4 Did you sell any goods or services using the internet? **Q** Print Y for yes or N for no. **F**

Income excluding foreign income

5 Business income and expenses

	Primary production	Non-primary production	Totals
Gross payments where ABN not quoted C	<input type="text"/> -00	D <input type="text"/> -00	<input type="text"/> -00
Gross payments subject to foreign resident withholding A	<input type="text"/> -00	B <input type="text"/> -00	<input type="text"/> -00
Assessable government industry payments E	<input type="text"/> -00 / <input type="text"/> CODE	F <input type="text"/> -00 / <input type="text"/> CODE	<input type="text"/> -00
Other business income G	<input type="text"/> -00 / <input type="text"/>	H <input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/> F
Total business income	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>

Expenses

Foreign resident withholding expenses	<input type="text"/> -00	<input type="text"/> -00	P <input type="text"/> -00
Contractor, sub-contractor and commission expenses	<input type="text"/> -00	<input type="text"/> -00	C <input type="text"/> -00
Superannuation expenses	<input type="text"/> -00	<input type="text"/> -00	D <input type="text"/> -00
Cost of sales	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	E <input type="text"/> -00 / <input type="text"/>
Bad debts	<input type="text"/> -00	<input type="text"/> -00	F <input type="text"/> -00
Lease expenses	<input type="text"/> -00	<input type="text"/> -00	G <input type="text"/> -00
Rent expenses	<input type="text"/> -00	<input type="text"/> -00	H <input type="text"/> -00
Total interest expenses	<input type="text"/> -00	<input type="text"/> -00	I <input type="text"/> -00
Total royalty expenses	<input type="text"/> -00	<input type="text"/> -00	J <input type="text"/> -00
Depreciation expenses	<input type="text"/> -00	<input type="text"/> -00	K <input type="text"/> -00 / <input type="text"/> CODE
Motor vehicle expenses	<input type="text"/> -00	<input type="text"/> -00	L <input type="text"/> -00
Repairs and maintenance	<input type="text"/> -00	<input type="text"/> -00	M <input type="text"/> -00
All other expenses	<input type="text"/> -00	<input type="text"/> -00	N <input type="text"/> -00
Total expenses – labels P to N	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	O <input type="text"/> -00 / <input type="text"/>

Reconciliation items

Add: Income reconciliation adjustments	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	A <input type="text"/> -00 / <input type="text"/>
Add: Expense reconciliation adjustments	<input type="text"/> -00 / <input type="text"/>	<input type="text"/> -00 / <input type="text"/>	B <input type="text"/> -00 / <input type="text"/>
Net income or loss from business Q	<input type="text"/> -00 / <input type="text"/>	R <input type="text"/> -00 / <input type="text"/>	S <input type="text"/> -00 / <input type="text"/>

PAGE 2 www.ato.gov.au

TRUST TAX RETURN, 2004-05 INCOME YEAR

6 Tax withheld	Tax withheld where ABN not quoted	T	<input type="text" value="00"/>	<input type="text" value="00"/>	
	Credit for tax withheld – foreign resident withholding	U	<input type="text" value="00"/>	<input type="text" value="00"/>	
<hr/>					
7 Credit for interest on early payments – amount of interest		W	<input type="text"/>		F
<hr/>					
8 Partnerships and trusts					
Primary production	Distribution from partnerships	A	<input type="text" value="00"/>	<input type="text"/>	
	Distribution from trusts	Z	<input type="text" value="00"/>	<input type="text"/>	
	Deductions relating to distribution in labels A and Z	S	<input type="text" value="00"/>		
	Net primary production distribution		<input type="text" value="00"/>	<input type="text"/>	
Non-primary production	Distribution from partnerships, less foreign income	B	<input type="text" value="00"/>	<input type="text"/>	
	Distribution from trusts, less net capital gain and foreign income	R	<input type="text" value="00"/>	<input type="text"/>	
	Deductions relating to distribution in labels B and R	T	<input type="text" value="00"/>		
	Net non-primary production distribution		<input type="text" value="00"/>	<input type="text"/>	
Distributions of net capital gains (including net foreign capital gains) must be included at item 18. Distributions of foreign income must be included at item 19 or 20.					
Share of credits from income					
	Share of credit for tax withheld where ABN not quoted	C	<input type="text" value="00"/>		
	Share of franking credit from franked dividends	D	<input type="text"/>		
	Share of credit for TFN amounts withheld from interest and dividends	E	<input type="text"/>		
<hr/>					
9 Rent	Gross rent	F	<input type="text" value="00"/>		
	Interest deductions	G	<input type="text" value="00"/>		
	Capital works deductions	X	<input type="text" value="00"/>		
	Other rental deductions	H	<input type="text" value="00"/>		
	Net rent		<input type="text" value="00"/>	<input type="text"/>	
<hr/>					
10 Gross interest – including Australian Government loan interest		J	<input type="text" value="00"/>		
	TFN amounts withheld from gross interest	I	<input type="text"/>		
<hr/>					
11 Dividends	Unfranked amount	K	<input type="text" value="00"/>		
	Franked amount	L	<input type="text" value="00"/>		
	Franking credit	M	<input type="text" value="00"/>		
	TFN amounts withheld from dividends	N	<input type="text"/>		
<hr/>					
12 Other Australian income – give details					
	Excepted net income		<input type="text" value="00"/>		
Type of income		O	<input type="text"/>	<input type="text"/>	
<hr/>					
13 Total of items 5 to 12	Add the ▼ boxes		<input type="text" value="00"/>	<input type="text"/>	

TRUST TAX RETURN, 2004-05 INCOME YEAR

Deductions

14 Deductions relating to Australian investment income **P** **-00**

15 Other deductions – show only deductions not claimable at any other item

Name of each item of deduction	Amount
<input type="text"/>	<input type="text"/> -00
<input type="text"/>	<input type="text"/> -00

Q **-00**

16 Total of items 14 and 15 **-00**

17 Net Australian income or loss – other than capital gains Subtract item 16 from item 13. **S** **-00** **F**

18 Capital gains Do you need to complete a *Capital gains tax (CGT) schedule 2005*?

Did you have a CGT event during the year? **G** Print **Y** for yes or **N** for no. Net capital gain **A** **-00**

Also print **Y** at label **G** if the trust received a distribution of a capital gain from a trust.

Foreign income

19 Attributed foreign income

Did you have either a direct or indirect interest in a foreign trust, controlled foreign company or transferor trust? **S** Print **Y** for yes or **N** for no. Listed country **M** **-00**

Did you have an interest in a foreign investment fund (FIF) or a foreign life assurance policy (FLP)? **T** Print **Y** for yes or **N** for no. Section 404 country **U** **-00**

Unlisted country **X** **-00**

FIF/FLP income **Y** **-00**

If you printed **Y** at labels **S** or **T**, complete and attach a *Schedule 25A 2005*. Do you need to complete a *Losses schedule 2005*?

20 Other assessable foreign source income – other than income shown at item 19

Do you need to complete a *Losses schedule 2005*?

Gross **B** **-00** Net **V** **-00**

Foreign tax credits **Z**

Also include at label **D** Australian franking credits from a New Zealand company that you have received indirectly through a partnership or trust distribution. Australian franking credits from a New Zealand company **D** **-00**

21 Total of items 17 to 20 Add the boxes **-00** **F**

22 Tax losses deducted **C** **-00**

23 Total net income or loss Subtract item 22 from item 21. **-00** **F**

24 Losses information

A *Losses schedule 2005* must also be completed and attached if the sum of labels **U** and **V** is greater than \$100,000 or if the trust has a foreign loss or if the trust is a listed widely held trust and failed the majority ownership test for a loss.

Tax losses carried forward to later income years **U** **-00**

Net capital losses carried forward to later income years **V** **-00**

25 Landcare and water facility tax offset Landcare and water facility tax offset brought forward from prior years **G** **-00**

Overseas transactions

26 Overseas transactions

Was the aggregate amount of your transactions or dealings with international related parties (including the value of any property/service transferred or the balance of any loans) greater than \$1 million? **W** Print **Y** for yes or **N** for no.

If you printed **Y** at label **W**, complete and attach a *Schedule 25A 2005*.

Was any beneficiary who was not a resident of Australia at any time during the income year, 'presently entitled' to a share of the income of the trust? **A** Print **Y** for yes or **N** for no.

If you printed **Y** at label **A**, attach the information requested in the instructions. Amount of tax spared foreign tax credits **Q** **-00**

Transactions with specified countries

Did you directly or indirectly send to, or receive from, one of the countries specified in the instructions, any funds or property or

Do you have the ability or expectation to control, whether directly or indirectly, the disposition of any funds, property, assets or investments located in, or located elsewhere but controlled or managed from one of those countries? **C** Print **Y** for yes or **N** for no.

There is not a schedule to be completed for 'Transactions with specified countries'.

Interest

Section 128FA exempt interest paid **D** **-00**

Interest to financial institution exempt from withholding under a DTA **I** **-00**

DTA country **Y**

TRUST TAX RETURN, 2004-05 INCOME YEAR

28 Personal services income

If you printed **Y** at label **N**, complete and attach a *Personal services income schedule 2005*.

Does your income include an individual's personal services income? **N** Print **Y** for yes or **N** for no.

F

Key financial information

29 All current assets	F <input type="text"/> .00	32 Total liabilities	J <input type="text"/> .00
30 Total assets	G <input type="text"/> .00	33 Proprietors' funds	K <input type="text"/> .00 / <input type="text"/>
31 All current liabilities	I <input type="text"/> .00		

Business and professional items

The following information must be filled in for all trusts carrying on a business.

34 Business name of main business

35 Business address of main business

<input type="text"/>		
<input type="text"/>		
Suburb or town	State	Postcode A <input type="text"/>

36 Opening stock	C <input type="text"/> .00	46 Termination value of other depreciating assets	W <input type="text"/> .00
37 Purchases and other costs	B <input type="text"/> .00	47 Deduction for project pool	P <input type="text"/> .00
38 Closing stock	D <input type="text"/> .00 / <input type="text"/> <small>CODE</small>	48 Section 40-880 deduction	X <input type="text"/> .00
39 Trade debtors	E <input type="text"/> .00	49 Fringe benefit employee contributions	T <input type="text"/> .00
40 Trade creditors	H <input type="text"/> .00	50 Interest expenses overseas	Q <input type="text"/> .00
41 Total salary and wage expenses	L <input type="text"/> .00 / <input type="text"/> <small>CODE</small>	51 Royalty expenses overseas	R <input type="text"/> .00
42 Payments to associated persons	M <input type="text"/> .00	52 Landcare operations and deduction for decline in value of water facility	S <input type="text"/> .00
43 Intangible depreciating assets first deducted	N <input type="text"/> .00	53 Deduction for environmental protection expenses	V <input type="text"/> .00
44 Other depreciating assets first deducted	U <input type="text"/> .00	54 Unpaid present entitlement to a private company	Y <input type="text"/> .00 / <input type="text"/> <small>CODE</small>
45 Termination value of intangible depreciating assets	O <input type="text"/> .00	55 Trading stock election	<input type="checkbox"/> Print Y for yes or leave blank.

F

For completion by STS taxpayers only. STS taxpayers are not required to complete a *Capital allowances schedule 2005*.

56 STS depreciating assets	Deduction for low cost assets (less than \$1,000)	Deduction for general pool assets (less than 25 years)	Deduction for long life pool assets (25 years or more)
A <input type="text"/> .00	B <input type="text"/> .00	C <input type="text"/> .00	F

57 Medicare levy reduction or exemption

Spouse's 2004-05 taxable income - if nil write '0' **A** .00

Number of dependent children and students **B**

Full 1.5% levy exemption - number of days **C** / CODE

Half 1.5% levy exemption - number of days **D**

F

Medicare levy surcharge and private health insurance tax offset
If the trust is liable for the Medicare levy surcharge or entitled to the private health insurance tax offset, refer to the instructions.

TRUST TAX RETURN, 2004-05 INCOME YEAR

58 Statement of distribution
 For closely held trusts: Is a beneficiary named at item 58 a trustee beneficiary? **W** Print **Y** for yes or **N** for no. If yes, refer to the instructions to find out whether an *Ultimate beneficiary schedule* needs to be lodged.

Beneficiary 1 Name in full of beneficiary and TFN or postal address: TFN	Beneficiary 2 Name in full of beneficiary and TFN or postal address: TFN	Beneficiary 3 Name in full of beneficiary and TFN or postal address: TFN
---	---	---

Note: It is not an offence not to quote a TFN. However, TFNs help the Tax Office to correctly identify each beneficiary's tax records. The Tax Office is authorised by the *Income Tax Assessment Act 1936* and the *Income Tax Assessment Act 1997* to ask for information in this tax return. We need this information to help administer the tax laws.

Date of birth	Date of birth	Date of birth
Day Month Year	Day Month Year	Day Month Year

V Assessment calculation code	V []	V []	V []
L Credit for tax withheld - foreign resident withholding	L []	L []	L []
N Australian franking credits from a New Zealand company	N []	N []	N []
A Primary production income	A []	A []	A []
B Non-primary production income	B []	B []	B []
C Credit for tax withheld where AEN not quoted	C []	C []	C []
D Franking credit	D []	D []	D []
E TFN amounts withheld	E []	E []	E []
F Net capital gain	F []	F []	F []
G Attributed foreign income	G []	G []	G []
H Other assessable foreign source income	H []	H []	H []
I Foreign tax credits	I []	I []	I []
J s98(3) assessable amount	J []	J []	J []
K s98(4) assessable amount	K []	K []	K []

Non-resident beneficiary additional information

J s98(3) assessable amount	J []	J []
K s98(4) assessable amount	K []	K []

Items 59 and 60 must be answered for all trusts - if you answer yes to any of these questions, print Yes in the 'other attachments' box on page 1 of this tax return.

59 Beneficiary under legal disability who is presently entitled to income from another trust
 Was any beneficiary in this trust, who was under a legal disability on 30 June 2005, also presently entitled to a share of the income of another trust? Print **Y** for yes or **N** for no.

60 Non-resident trust
 Is the trust a non-resident trust? Print **Y** for yes or **N** for no.

If yes, state the amount of income derived outside Australia to which no beneficiary is presently entitled. Print **NIL** if applicable.

Totals of each row


L	[]	L	[]	L	[]
N	[]	N	[]	N	[]
A	[]	A	[]	A	[]
B	[]	B	[]	B	[]
C	[]	C	[]	C	[]
D	[]	D	[]	D	[]
E	[]	E	[]	E	[]
F	[]	F	[]	F	[]
G	[]	G	[]	G	[]
H	[]	H	[]	H	[]
I	[]	I	[]	I	[]
J	[]	J	[]	J	[]
K	[]	K	[]	K	[]

Income to which no beneficiary is presently entitled and in which no beneficiary has an indefeasible vested interest, and the trustee's share of credit for tax deducted. **F**

IN CONFIDENCE when completed

www.ato.gov.au

FUND TAX RETURN, 2004-05 INCOME YEAR

 Australian Government Australian Taxation Office	<p>Fund income tax and regulatory return</p> <p>Day Month Year to Day Month Year</p> <p>or specify period if part year or approved substitute period</p>	2005
<p>Notes to help you prepare this tax return are provided in the <i>Fund income tax and regulatory return instructions 2005</i> (the instructions), available from the Tax Office.</p>		
Tax file number (TFN)	<input style="width: 100%;" type="text"/>	
Name of fund or trust	<input style="width: 100%; height: 20px;" type="text"/>	
Australian business number (ABN)	<input style="width: 100%;" type="text"/>	
Previous name of fund or trust <small>If the fund or trust name has changed, print it exactly as shown on the last notice of assessment or the last tax return lodged.</small>	<input style="width: 100%; height: 20px;" type="text"/>	
Current postal address <small>If the address has not changed, print it exactly as shown on the last notice of assessment or the last tax return lodged.</small>	<input style="width: 100%; height: 20px;" type="text"/>	
	<small>Suburb or town</small>	<small>State</small> <input style="width: 20px;" type="text"/>
	<small>Postcode</small> <input style="width: 40px;" type="text"/>	
Postal address on previous tax return <small>If the address has changed, print it exactly as shown on the last notice of assessment or the last tax return lodged.</small>	<input style="width: 100%; height: 20px;" type="text"/>	
	<small>Suburb or town</small>	<small>State</small> <input style="width: 20px;" type="text"/>
	<small>Postcode</small> <input style="width: 40px;" type="text"/>	
Email address <small>If applicable</small>	<input style="width: 100%; height: 20px;" type="text"/>	
Name of trustee <small>If the trustee is a company, print details here including ABN.</small>	<input style="width: 100%; height: 20px;" type="text"/>	
	<small>ABN</small>	<input style="width: 100%;" type="text"/>
<small>If the trustee is an individual, print details here.</small>	<small>Title</small>	<input style="width: 100%;" type="text"/>
	<small>Family name</small>	<input style="width: 100%;" type="text"/>
	<small>First given name</small>	<input style="width: 100%;" type="text"/>
	<small>Other given names</small>	<input style="width: 100%;" type="text"/>
Hours taken to prepare and complete this tax return	J <input style="width: 40px;" type="text"/>	Business postcode <input style="width: 40px;" type="text"/>
Was the fund or trust wound up during the year?	K <input type="checkbox"/> Print Y for yes or N for no.	Date wound up L <input style="width: 40px;" type="text"/>
		<small>Day Month Year</small>
NAT 0658-6.2005	IN CONFIDENCE when completed	PAGE 1

FUND TAX RETURN, 2004-05 INCOME YEAR

1 Superannuation fund number **A**

2 Date of establishment of fund or trust **B** Day Month Year

3 Status of fund or trust – print X in the applicable boxes.

Resident **C1** Superannuation fund **D1** Pooled superannuation fund trust **D3** Membership industry classification **E1**

Non-resident **C2** Approved deposit fund **D2**

4 Type of fund or trust – print X in the applicable box.

Self-managed superannuation fund (Tax Office regulated) **H1** Public offer or retail **H3** Employer sponsored or corporate **H5** Non-regulated **H7**

Small APRA fund **H2** Industry or award **H4** Public sector fund **H6** Other **H8** **F**

5 Family trust/Interposed entity election status
 If the trust or fund has made or is making a family trust election and/or made or is making one or more interposed entity elections for the 2004-05 income year or an earlier income year, print the appropriate **election status code** for the fund or trust in the box at the right of label **I**. If making one or more elections or revoking a family trust election for the 2004-05 income year, complete and attach the *Family trust election and/or family trust revocation 2005* and/or the *Interposed entity election 2005*. **I** **F**

6 Is the fund or trust complying in accordance with section 45, 47 or 48 of the Superannuation Industry (Supervision) Act 1993? **F** Print **Y** for yes or **N** for no. **F**

Income tax calculation and information statement

8 Calculation statement

Foreign tax credits **D** .

Rebates/tax offsets **C** .

Less: Total of labels **D** and **C** **G** .

Taxable income **A** .00

Gross tax **B** .

Tax payable **F** .

Add: Section 102AAM interest charge **H** .

Credit for interest on early payments – amount of interest **V** .

Credit for tax withheld where ABN/TFN not quoted **M** .

Credit for tax withheld – foreign resident withholding **E** .

Refundable franking credits **Q** .

Less: Total of labels **V**, **M**, **E** and **Q** **R** .

Subtotal **F** .

Less: PAYG instalments raised **T** .

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

PAGE 2 www.ato.gov.au

FUND TAX RETURN, 2004–05 INCOME YEAR

Information statement – to be completed by all entities

9b Deductions

Interest expenses within Australia	A	<input type="text" value="0.00"/>	-00
Interest expenses overseas	B	<input type="text" value="0.00"/>	-00
Foreign resident withholding expenses	H	<input type="text" value="0.00"/>	-00
Total salary and wage expenses	C	<input type="text" value="0.00"/>	-00
Capital works deductions	Q	<input type="text" value="0.00"/>	-00
Deduction for decline in value of depreciating assets	W	<input type="text" value="0.00"/>	-00
Group life and disability premiums	J	<input type="text" value="0.00"/>	-00
Management/administration expenses	K	<input type="text" value="0.00"/>	-00
Investment expenses	L	<input type="text" value="0.00"/>	-00
Other deductions	D	<input type="text" value="0.00"/>	-00
Transfer of taxable contributions	E	<input type="text" value="0.00"/>	-00
Tax losses deducted	F	<input type="text" value="0.00"/>	-00
Exempt current pension income	G	<input type="text" value="0.00"/>	-00
Taxable income or loss	T	<input type="text" value="0.00"/>	-00

Add labels **A** to **G** above and deduct total from **S** on page 3.

10 Losses information

<p>If the total of labels U + V is greater than \$100,000, complete and attach a <i>Losses schedule 2005</i>.</p>	Tax losses carried forward to later income years	U	<input type="text" value="0.00"/>	-00
	Net capital losses carried forward to later income years	V	<input type="text" value="0.00"/>	-00

A *Losses schedule 2005* must also be completed and attached if the fund has a foreign loss. Refer to the instructions.

11 Other information

Intangible depreciating assets first deducted	A	<input type="text" value="0.00"/>	-00	
Other depreciating assets first deducted	U	<input type="text" value="0.00"/>	-00	
Termination value of intangible depreciating assets	B	<input type="text" value="0.00"/>	-00	
Termination value of other depreciating assets	W	<input type="text" value="0.00"/>	-00	
Total investments	Q	<input type="text" value="0.00"/>	-00	
Number of members	R	<input type="text" value=""/>		
Number of payments received from non-resident superannuation funds	S	<input type="text" value=""/>		
Exempt section 274(7) contributions	M	<input type="text" value="0.00"/>	-00	
Exempt section 275B contributions	N	<input type="text" value="0.00"/>	-00	
<p>Attributed foreign income</p> <p>Do you need to complete a <i>Losses schedule 2005</i>?</p>	Listed country	O	<input type="text" value="0.00"/>	-00
	Section 404 country	L	<input type="text" value="0.00"/>	-00
	Unlisted country	J	<input type="text" value="0.00"/>	-00
	FIF/FLP income	P	<input type="text" value="0.00"/>	-00
Tax spared foreign tax credits	K	<input type="text" value="0.00"/>	-00	

12 Landcare and water facility tax offset

Landcare and water facility tax offset brought forward from prior years	B	<input type="text" value="0.00"/>	-00
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FUND TAX RETURN, 2004–05 INCOME YEAR

13 Internet transactions

Did the fund have dealings – including purchases and sales of assets or borrowings – on the internet?

Print **Y** for yes or **N** for no.

Overseas transactions or interest/thin capitalisation/foreign source income

The following questions must be answered – print **Y** for yes or **N** for no at questions 14 to 23.

If you print **Y** at item 15 or 16, complete and attach a *Schedule 25A 2005*.

International related party dealings/transfer pricing

14 Did you have any transactions or dealings with international related parties (irrespective of whether they were on revenue or capital account)? Such transactions or dealings include the transfer of tangible or intangible property and any new or existing financial arrangements.

15 Was the aggregate amount of the transactions or dealings with international related parties (including the value of property transferred or the balance outstanding on any loans) greater than \$1 million?

16 Overseas interests

Did you have an overseas branch or a direct or indirect interest in a foreign trust, controlled foreign entity, transferor trust, foreign investment fund or foreign life policy?

17 Thin capitalisation

Did the thin capitalisation provisions apply as outlined in the instructions and the *Guide to thin capitalisation*? If yes, complete the *Thin capitalisation schedule 2005*.

18 Foreign source income

Was the amount of foreign tax credits paid or carried forward greater than \$100,000 **OR** Was the amount of assessable foreign income greater than \$500,000?

19 Transactions with specified countries

Did you directly or indirectly send to, or receive from, one of the countries specified in the instructions, any funds or property **OR**

Do you have the ability or expectation to control, whether directly or indirectly, the disposition of any funds, property, assets or investments located in, or located elsewhere but controlled or managed from, one of those countries?

F

20 Exempt current pension income

If the fund has claimed an amount of exempt current pension income in respect of any pensions **NOT prescribed by Income Tax Regulations**, has the trustee obtained the relevant actuary's certificate or certificates required by section 273A, 273B or 283 as a condition of exemption?

21 Death or disability deduction

Is the fund or trust claiming a deduction for premiums for death or disability cover under section 279 that requires an actuary's certificate to be obtained?

If so, has the fund or trust obtained the relevant certificate?

22 Transfer of taxable contributions

Has the fund or trust, with the consent of the transferee, transferred taxable contributions under section 275 to a life assurance company or pooled superannuation trust?

If so, show the names of the transferee or transferees, the ABN of each transferee and the amount of contributions transferred to each.

Name	<input type="text"/>		
Amount	<input type="text" value="00"/>	ABN	<input type="text"/>
Name	<input type="text"/>		
Amount	<input type="text" value="00"/>	ABN	<input type="text"/>

23 Payments to contributing employers and associates

Has the fund or trust made a payment or transferred a benefit that is included in the assessable income of the recipient under section 82AAQ?

FUND TAX RETURN, 2004–05 INCOME YEAR

Regulatory information for self-managed superannuation funds

Only self-managed superannuation funds are to complete the remaining questions.

All other funds go to page 8 and complete the trustee declaration and the tax agent's certificate (if applicable).

24 Fund's auditor details

Auditor's name and professional body membership number

Title

Family name

First given name

Auditor's professional body membership number

Name of organisation

Postal address

Suburb or town State Postcode

Telephone

Area code Number

25 Which professional body does the auditor belong to?

CODE

26 Did the fund comply with all relevant SIS requirements?

Print **Y** for yes or **N** for no.

FUND TAX RETURN, 2004-05 INCOME YEAR

Financial information - all assets and earnings of the fund must be included in question 27a or 27b

27a Managed investments

	Earnings Show net realised gains/losses only		Asset values	
Life insurance policies	A	<input type="text" value="-00"/>	M	<input type="text" value="-00"/>
Other managed investments	B	<input type="text" value="-00"/>	N	<input type="text" value="-00"/>

27b Direct investments

Overseas assets	C	<input type="text" value="-00"/>	O	<input type="text" value="-00"/>
Real property	D	<input type="text" value="-00"/>	P	<input type="text" value="-00"/>
Other property	E	<input type="text" value="-00"/>	Q	<input type="text" value="-00"/>
Listed shares and equities	F	<input type="text" value="-00"/>	R	<input type="text" value="-00"/>
Unlisted shares and equities	G	<input type="text" value="-00"/>	S	<input type="text" value="-00"/>
Public trusts	H	<input type="text" value="-00"/>	T	<input type="text" value="-00"/>
Other trusts	I	<input type="text" value="-00"/>	U	<input type="text" value="-00"/>
Cash, debt securities and term deposits	J	<input type="text" value="-00"/>	V	<input type="text" value="-00"/>
Loans	K	<input type="text" value="-00"/>	W	<input type="text" value="-00"/>
Other	L	<input type="text" value="-00"/>	X	<input type="text" value="-00"/>

F

28 In-house and related party assets

	Earnings		Asset values	
In-house	A	<input type="text" value="-00"/>	C	<input type="text" value="-00"/>
Related party investment	B	<input type="text" value="-00"/>	D	<input type="text" value="-00"/>

29 Value of leased assets

In-house	E	<input type="text" value="-00"/>
Other related party	F	<input type="text" value="-00"/>
Non-related party	G	<input type="text" value="-00"/>

30 Has the fund acquired assets (other than exempt assets) from a related party?

H Print **Y** for yes or **N** for no.

F

31 Liability information

Members' entitlements	A	<input type="text" value="-00"/>
Borrowings	B	<input type="text" value="-00"/>
Other liabilities	C	<input type="text" value="-00"/>

FUND TAX RETURN, 2004-05 INCOME YEAR

32 Fund expenditure

Benefit payments	D	<input type="text" value=""/>	.00
Outward rollovers and transfers	E	<input type="text" value=""/>	.00
Administration and investment expenses	F	<input type="text" value=""/>	.00
Other expenses	G	<input type="text" value=""/>	.00 / <input type="text" value=""/>

33 Contribution information

Non-taxable contributions	H	<input type="text" value=""/>	.00
Inward rollovers and transfers	I	<input type="text" value=""/>	.00

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

Trustee's signature	<input type="text" value=""/>	Date	<input type="text" value=""/>
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This declaration and all attached documents must be signed by a trustee.

Trustee's contact name	<input type="text" value=""/>				
Trustee's telephone	<table border="0"> <tr> <td>Area code</td> <td>Number</td> </tr> <tr> <td><input type="text" value=""/></td> <td><input type="text" value=""/></td> </tr> </table>	Area code	Number	<input type="text" value=""/>	<input type="text" value=""/>
Area code	Number				
<input type="text" value=""/>	<input type="text" value=""/>				

Tax agent's declaration

I,

declare that this tax return has been prepared in accordance with information supplied by the trustee, that the trustee has given me a declaration stating that the information provided to me is true and correct and that the trustee has authorised me to lodge the tax return.

Agent's signature	<input type="text" value=""/>	Date	<input type="text" value=""/>
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Agent's telephone	<table border="0"> <tr> <td>Area code</td> <td>Number</td> </tr> <tr> <td><input type="text" value=""/></td> <td><input type="text" value=""/></td> </tr> </table>	Area code	Number	<input type="text" value=""/>	<input type="text" value=""/>
Area code	Number				
<input type="text" value=""/>	<input type="text" value=""/>				

Client's reference

Contact name

Agent's reference number

FRINGE BENEFITS TAX RETURN, 2005-06 FBT YEAR

	<p>Australian Government Australian Taxation Office</p>	<p>Fringe benefits tax (FBT) return</p> <p>1 April 2005 to 31 March 2006</p>	<p>2006</p>
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1 Tax file number (TFN)

It is not an offence not to quote your tax file number but not quoting it may increase the risk of administrative error and/or delay this return. If you do not have a TFN, refer to the 2006 FBT return guide for more information.

2 Australian business number (ABN) - if applicable

3 Name of trustee or senior partner

Individual	Title - for example, Mr, Mrs, Ms, Miss	<input style="width: 95%;" type="text"/>		<input style="width: 95%;" type="text"/>
	Surname or family name	<input style="width: 100%;" type="text"/>		
OR	Given names	<input style="width: 45%;" type="text"/>	<input style="width: 45%;" type="text"/>	
Non-individual (company, partnership, trust etc)	Name of corporate trustee/senior partner	<input style="width: 100%;" type="text"/>		
<input style="width: 100%;" type="text"/>				

4 Name of employer

Individual	Title - for example, Mr, Mrs, Ms, Miss	<input style="width: 95%;" type="text"/>		<input style="width: 95%;" type="text"/>
	Surname or family name	<input style="width: 100%;" type="text"/>		
OR	Given names	<input style="width: 45%;" type="text"/>	<input style="width: 45%;" type="text"/>	
Non-individual (company, partnership, trust etc)		<input style="width: 100%;" type="text"/>		
<input style="width: 100%;" type="text"/>				

5 Postal address

	Address	<input style="width: 100%;" type="text"/>		
		<input style="width: 100%;" type="text"/>		
	Suburb or town	<input style="width: 100%;" type="text"/>		
	State	<input style="width: 20%;" type="text"/>	Postcode	<input style="width: 20%;" type="text"/>
			Country if not Australia	<input style="width: 20%;" type="text"/>

6 Previous name and/or postal address

If the employer name and/or postal address has changed, print it exactly as shown on the last FBT return lodged. A CHANGE OF NAME MUST BE SUPPORTED BY A CERTIFIED COPY OF THE DOCUMENTARY EVIDENCE.

Individual	Title - for example, Mr, Mrs, Ms, Miss	<input style="width: 95%;" type="text"/>		<input style="width: 95%;" type="text"/>
	Surname or family name	<input style="width: 100%;" type="text"/>		
OR	Given names	<input style="width: 45%;" type="text"/>	<input style="width: 45%;" type="text"/>	
Non-individual (company, partnership, trust etc)		<input style="width: 100%;" type="text"/>		
<input style="width: 100%;" type="text"/>				
	Address	<input style="width: 100%;" type="text"/>		
		<input style="width: 100%;" type="text"/>		
	Suburb or town	<input style="width: 100%;" type="text"/>		
	State	<input style="width: 20%;" type="text"/>	Postcode	<input style="width: 20%;" type="text"/>
			Country if not Australia	<input style="width: 20%;" type="text"/>

FRINGE BENEFITS TAX RETURN, 2005-06 FBT YEAR

7 Current business/trading name and/or address

If your business/trading name and/or address has changed since last year, or this is your first FBT return, print the details here.

Business/trading name	<input type="text"/>		
	<input type="text"/>		
Business/trading address	<input type="text"/>		
	<input type="text"/>		
Suburb or town	<input type="text"/>		
State	<input type="text"/>	Postcode	<input type="text"/>
		Country if not Australia	<input type="text"/>

8 Previous name of trustee or senior partner

If your organisation is a trust or partnership, and your details have changed, show the name of the trustee or the senior partner of your organisation as shown on the last FBT return lodged.

Individual	Title - for example, Mr, Mrs, Ms, Miss	<input type="text"/>
	Surname or family name	<input type="text"/>
OR	Given names	<input type="text"/>
		<input type="text"/>
Non-individual (company, partnership, trust etc)	Name of corporate trustee/senior partner	<input type="text"/>
		<input type="text"/>

9 Name of the person to contact

Provide the name, daytime contact phone number and email address (if applicable) of the person we can contact, if needed, regarding the information in this return.

Title - for example, Mr, Mrs, Ms, Miss	<input type="text"/>	
Surname or family name	<input type="text"/>	
Given names	<input type="text"/>	<input type="text"/>
Daytime contact phone number	Area code <input type="text"/>	Phone number <input type="text"/>
Email address	<input type="text"/>	

10 Number of employees receiving fringe benefits during the period 1 April 2005 to 31 March 2006

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11 Hours taken to prepare and complete this form

Refer to the 2006 FBT return guide for more information. Do not include tax agent's time.

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12 Do you expect to lodge an FBT return for 2006-07 or future years?

YES NO

FRINGE BENEFITS TAX RETURN, 2005-06 FBT YEAR

13 Calculated fringe benefits taxable amounts

Refer to the 2006 FBT return guide for more information.

Whole dollars only

- A Type 1 aggregate amount .00 x 2.1292 = .00 **A**
- B Type 2 aggregate amount .00 x 1.9417 = .00 **B**
- C Aggregate non-exempt amount (hospitals and public benevolent institutions only) .00 **C**

14 Fringe benefits taxable amount (A + B) or C .00

15 Amount of tax payable (48.5% of item 14 amount)

16 Aggregate non-rebatable amount
Refer to the 2006 FBT return guide for more information.

17 Amount of rebate: 48% of (item 15 amount less item 16 amount)

18 Sub-total (item 15 amount less item 17 amount)

19 Less instalment amounts reported on activity statements
Refer to the 2006 FBT return guide for more information. .00

20 Payment due – SEND THIS AMOUNT WITH YOUR PAYMENT ADVICE
or
21 Credit due to you

22 Details of fringe benefits provided

Type of benefits provided (1 April 2005 to 31 March 2006)	Number	WHOLE DOLLARS ONLY			
		Gross taxable value (a)	Employee contribution (b)	Value of reductions (c)	Taxable value of benefits (a) – (b) – (c)
Cars using the statutory formula	A				.00
Cars using the operating cost method	B				.00
Loans granted	C				.00
Debt waiver	D				.00
Expense payments	E				.00
Housing – units of accommodation provided	F				.00
Employees receiving living-away-from-home allowance (show total paid including exempt components)	G				.00
Airline transport (airlines and travel agents only)	H				.00
Board	J				.00
Property	K				.00
Income tax exempt body – entertainment	L				.00
Other benefits (residual)	M				.00
Car parking	N				.00
Meal entertainment	P				.00

23 Tax agent's declaration

I, declare that this return has been prepared in accordance with information supplied by my client, that my client has given me a declaration stating that the information provided to me is true and correct and that my client has authorised me to lodge the return.

Signature of agent* Day Month Year Registered no. of agent

* Where the agent is a partnership or a company, this declaration must be signed in the name of the partnership or company by a person who is registered as a nominee of that partnership or company.

24 Employer's declaration – where the employer lodges the return

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

Signature of employer* Day Month Year

* proprietor, partner, public officer, trustee or, for government departments and authorities, the delegated officer

Privacy:
The Australian Taxation Office is authorised by the Fringe Benefits Tax (Assessment) Act 1986 and the Taxation Administration Act 1953 to ask for information on this return. We need this information to help us to administer the taxation laws. We may give this information to other government agencies authorised in taxation law – for example, the Australian Bureau of Statistics and the Reserve Bank of Australia.

This return will not be regarded as having been lodged unless the appropriate declaration has been signed by the tax agent or the employer.

GST INFORMATION REPORT, 2005-06 FINANCIAL YEAR

Q



46470404

Annual GST information report

Document ID

ABN

When completing this form, please

- use a BLACK pen only (to help with processing)
- leave boxes blank if not applicable (do not use N/A, NIL)
- show whole dollars only (do not show cents)
- do not use symbols such as +, -, /, \$

Contact person who completed the form

Contact phone number

Why have you received this annual GST information report?

You chose to calculate GST quarterly and report annually (Option 2) in at least one quarter during the year.

You now need to complete this form to report the following GST information for the period shown at the top of this form.

When is this form due?

You must return this form by

▶ How to complete this form

- Complete the boxes (G2, G3, G10 & G11) that apply to your business using information from your accounts or by using the GST calculation sheet
- You must report amounts for the entire period shown at the top of this form

GST accounting method

Export sales **G2** \$

Other GST-free sales **G3** \$

Capital purchases **G10** \$

Non-capital purchases **G11** \$

Declaration I declare that the information given on this form is true and correct, and that I am authorised to make this declaration. The tax invoice requirements have been met.

Signature

Date / /

Please return this completed form to

HRS	MINS
<input type="text"/>	<input type="text"/>

Please estimate the time taken to complete this form. Include the time taken to collect any information.

Activity statement instructions are available from www.ato.gov.au or can be ordered by phoning **13 28 66**. The Tax Office is authorised by the tax laws to collect this information to administer those laws and may pass information to other government agencies. More information about privacy and access to your tax information is available from www.ato.gov.au



Australian Government
Australian Taxation Office

NAT 4647-4.2004

CAPITAL GAINS TAX SCHEDULE, 2004-05 INCOME YEAR

Part B Current year capital losses (CYCL) from CGT assets and CGT events – other than capital losses from collectables											
A											
Shares and units (in unit trusts)											
B											
Real estate											
C											
Other CGT assets and any other CGT events											
Add amounts at A to C above and write the total at D below.											
D											
Total current year capital losses (CYCL)											
Part D Applying capital losses against current year capital gains											
Capital gains – indexation method						Capital gains – discount method					
E						F					
Current year capital losses applied											
I						J					
Prior year net capital losses applied											
M						N					
Capital losses transferred in applied											
Add amounts at E to M above and write the total at Q below.											
Q						R					
Total capital losses applied											
Current year capital losses applied						Prior year net capital losses applied					
Add amounts at E , F and G above and write the total at H below.						Add amounts at I , J and K above and write the total at L below.					
H						L					
Total capital losses applied											
Part E Current year capital gains (CYCG) after applying capital losses											
Capital gains – indexation method						Capital gains – discount method					
A						B					
Non-active assets											
D						E					
Active assets											
Add amounts at A and D above and write the total at G below.											
G						H					
Totals – CYCG after applying capital losses											
Current year capital losses applied						Prior year net capital losses applied					
Add amounts at E , F and G above and write the total at H below.						Add amounts at I , J and K above and write the total at L below.					
H						L					
Total capital losses applied											
Part F Capital losses transferred in applied											
Add amounts at M , N and O above and write the total at P below.											
P						Q					
For companies required to lodge a Losses schedule 2005, the amount at P must equal the corresponding amount on their losses schedule.											
Capital losses transferred in applied						Other capital gains					
Add amounts at M , N and O above and write the total at P below.						Add amounts at C and F above and write the total at I below.					
P						I					

www.ato.gov.au

LOSSES SCHEDULE, 2004-05 INCOME YEAR

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Page 4

IN CONFIDENCE when completed

www.ato.gov.au └

BUSINESS ACTIVITY STATEMENT – SAMPLE A

<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">PAYG income tax instalment</div> <p>Only complete Option 1 OR 2 (indicate one choice with X)</p> <p><input type="checkbox"/> Option 1: Pay a PAYG instalment amount quarterly</p> <p style="text-align: center;">T7 \$ <input style="width: 100px;" type="text"/></p> <p style="text-align: center;">Write the T7 amount at 5A in the Summary section OR if varying this amount, complete T8, T9, T4</p> <p>Estimated tax for the year T8 \$ <input style="width: 100px;" type="text"/>.00</p> <p>Varied amount for the quarter T9 \$ <input style="width: 100px;" type="text"/>.00</p> <p style="text-align: center;">Write the T9 amount at 5A in the Summary section</p> <p>Reason code for variation T4 <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/></p> <p>OR</p> <p><input type="checkbox"/> Option 2: Calculate PAYG instalment using income times rate</p> <p>PAYG instalment income T1 \$ <input style="width: 100px;" type="text"/>.00</p> <p style="text-align: center;">T2 <input style="width: 100px;" type="text"/> %</p> <p style="text-align: center;">OR</p> <p>New varied rate T3 <input style="width: 100px;" type="text"/> %</p> <p>T1 x T2 (or x T3) T11 \$ <input style="width: 100px;" type="text"/>.00</p> <p style="text-align: center;">Write the T11 amount at 5A in the Summary section</p> <p>Reason code for variation T4 <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/></p> <div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Fringe benefits tax (FBT) instalment</div> <p style="text-align: center;">F1 \$ <input style="width: 100px;" type="text"/></p> <p style="text-align: center;">Write the F1 amount at 6A in the Summary section OR if varying this amount, complete F2, F3, F4</p> <p>Estimated FBT for the year F2 \$ <input style="width: 100px;" type="text"/>.00</p> <p>Varied amount for the quarter F3 \$ <input style="width: 100px;" type="text"/>.00</p> <p style="text-align: center;">Write the F3 amount at 6A in the Summary section</p> <p>Reason code for variation F4 <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/></p> <p>Declaration I declare that the information given on this form is true and correct, and that I am authorised to make this declaration. The tax invoice requirements have been met.</p> <p>Signature _____ Date / /</p>	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Summary</div> <p style="text-align: center;">If you are using GST Option 3 leave 1B, 1C, 1D, 1E, 1F blank</p> <p>Amounts you owe the Tax Office</p> <p>GST on sales or GST instalment 1A \$ <input style="width: 100px;" type="text"/>.00</p> <p>Wine equalisation tax 1C \$ <input style="width: 100px;" type="text"/>.00</p> <p>Luxury car tax 1E \$ <input style="width: 100px;" type="text"/>.00</p> <p>PAYG tax withheld 4 \$ <input style="width: 100px;" type="text"/>.00</p> <p>PAYG income tax instalment 5A \$ <input style="width: 100px;" type="text"/>.00</p> <p>FBT instalment 6A \$ <input style="width: 100px;" type="text"/>.00</p> <p>Deferred company/fund instalment 7 \$ <input style="width: 100px;" type="text"/>.00</p> <hr/> <p>1A + 1C + 1E + 4 + 5A + 6A + 7 8A \$ <input style="width: 100px;" type="text"/>.00</p> <p>Amounts the Tax Office owes you</p> <p>GST on purchases 1B \$ <input style="width: 100px;" type="text"/>.00</p> <p>Wine equalisation tax refundable 1D \$ <input style="width: 100px;" type="text"/>.00</p> <p>Luxury car tax refundable 1F \$ <input style="width: 100px;" type="text"/>.00</p> <p>Credit from PAYG income tax instalment variation 5B \$ <input style="width: 100px;" type="text"/>.00</p> <p>Credit from FBT instalment variation 6B \$ <input style="width: 100px;" type="text"/>.00</p> <hr/> <p>1B + 1D + 1F + 5B + 6B 8B \$ <input style="width: 100px;" type="text"/>.00</p> <div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Payment or refund?</div> <p>Is 8A more than 8B? (indicate with X)</p> <p><input type="checkbox"/> Yes, then write the result of 8A minus 8B at 9. This amount is payable to the Tax Office.</p> <p><input type="checkbox"/> No, then write the result of 8B minus 8A at 9. This amount is refundable to you (or offset against any other tax debt you have).</p> <p style="text-align: center;">Your payment or refund amount</p> <p>9 \$ <input style="width: 100px;" type="text"/>.00</p> <p>! Do not use symbols such as +, -, /, \$</p> <p>Please return this completed form to</p> <table style="width: 100%; border: 1px solid black;"> <tr> <td style="text-align: center; width: 50%;">HRS</td> <td style="text-align: center; width: 50%;">MINS</td> </tr> <tr> <td style="text-align: center;"><input style="width: 30px;" type="text"/></td> <td style="text-align: center;"><input style="width: 30px;" type="text"/></td> </tr> </table> <p style="font-size: small;">Please estimate the time taken to complete this form. Include the time taken to collect any information.</p>	HRS	MINS	<input style="width: 30px;" type="text"/>	<input style="width: 30px;" type="text"/>
HRS	MINS				
<input style="width: 30px;" type="text"/>	<input style="width: 30px;" type="text"/>				

Activity statement instructions are available from www.ato.gov.au or can be ordered by phoning **13 28 66**. The Tax Office is authorised by the tax laws to collect this information to administer those laws and may pass information to other government agencies. More information about privacy and access to your tax information is available from www.ato.gov.au

Australian Government
Australian Taxation Office


BUSINESS ACTIVITY STATEMENT – SAMPLE B

G

When completing this form, please

- use a BLACK pen only (to help with processing)
- leave boxes blank if not applicable (do not use N/A, NIL)
- show whole dollars only (do not show cents)
- do not use symbols such as +, -, /, \$

Office use only


 42350404

Business activity statement

Document ID
 ABN
 Form due on
 Payment due on
 GST accounting method
 Contact phone number
 Contact person who completed the form

PAYG income tax instalment

Complete Option 1 OR 2 (indicate one choice with an X)

Option 1: Pay a PAYG instalment amount quarterly

T7 \$

Write the T7 amount at 5A in the Summary section over the page OR if varying this amount, complete T8, T9, T4

Estimated tax for the year T8 \$

Varied amount for the quarter T9 \$

Write the T9 amount at 5A in the Summary section over the page and then complete the other sections

Reason code for variation T4

OR

Option 2: Calculate PAYG instalment using income times rate

PAYG instalment income T1 \$

T2 %

OR

New varied rate T3 %

T1 x T2 (or x T3) T11 \$

Write the T11 amount at 5A in the Summary section over the page and then complete the other sections

Reason code for variation T4

Goods and services tax (GST)

Total sales G1 \$

Does the amount shown at G1 include GST? (indicate with an X)
 Yes No

Export sales G2 \$

Other GST-free sales G3 \$


Capital purchases G10 \$


Non-capital purchases G11 \$


Report GST on sales at 1A and GST on purchases at 1B in the Summary section over the page and then complete the other sections


NAT 4235-4.2004


How to pay

 **BPAY:** contact your bank, credit union or building society to make this payment from your cheque or savings account. Quote biller code **75556** and your EFT code (shown on the other side of this payment slip) as the customer reference number.

 **Direct credit:** transfer funds directly to the Tax Office using computer based banking software.

 **Direct debit:** have your payment deducted from your nominated bank account (excluding credit cards).

 **Mail payments:** mail this payment slip together with your cheque / money order using the envelope provided. Please do not use pins or staples. Do NOT send cash.

 **Post Office:** payments can be made at any Post Office by cash, cheque or EFTPOS (subject to daily limits). A \$3,000 cash limit applies. Your payment slip must be presented with your payment.

- Cheques/money orders should be made payable to the 'Deputy Commissioner of Taxation' and crossed 'Not Negotiable'.
- All cheques must be tendered in Australian currency.


❗ Payments cannot be made by credit card or in person at any Tax Office branch or shopfront.

BUSINESS ACTIVITY STATEMENT – SAMPLE B

<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">PAYG tax withheld</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Total salary, wages and other payments</td> <td style="width: 10%;">W1</td> <td style="width: 5%;">\$</td> <td style="width: 45%; text-align: right;"> <input style="width: 100%;" type="text"/>.00 </td> </tr> <tr> <td>Amount withheld from payments shown at W1</td> <td>W2</td> <td>\$</td> <td style="text-align: right;"> <input style="width: 100%;" type="text"/>.00 </td> </tr> <tr> <td>Amount withheld where no ABN is quoted</td> <td>W4</td> <td>\$</td> <td style="text-align: right;"> <input style="width: 100%;" type="text"/>.00 </td> </tr> <tr> <td>Other amounts withheld (excluding any amount shown at W2 or W4)</td> <td>W3</td> <td>\$</td> <td style="text-align: right;"> <input style="width: 100%;" type="text"/>.00 </td> </tr> <tr> <td>Total amounts withheld (W2 + W4 + W3)</td> <td>W5</td> <td>\$</td> <td style="text-align: right;"> <input style="width: 100%;" type="text"/>.00 Write the W5 amount at 4 in the Summary section below </td> </tr> </table>	Total salary, wages and other payments	W1	\$	<input style="width: 100%;" type="text"/> .00	Amount withheld from payments shown at W1	W2	\$	<input style="width: 100%;" type="text"/> .00	Amount withheld where no ABN is quoted	W4	\$	<input style="width: 100%;" type="text"/> .00	Other amounts withheld (excluding any amount shown at W2 or W4)	W3	\$	<input style="width: 100%;" type="text"/> .00	Total amounts withheld (W2 + W4 + W3)	W5	\$	<input style="width: 100%;" type="text"/> .00 Write the W5 amount at 4 in the Summary section below	<div style="background-color: black; color: white; padding: 2px; font-weight: bold;">Fringe benefits tax (FBT) instalment</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">F1</td> <td style="width: 5%;">\$</td> <td style="width: 65%; text-align: right;"> <input style="width: 100%;" type="text"/> </td> </tr> </table> <p style="text-align: center; font-weight: bold; font-size: small;">Write the F1 amount at 6A in the Summary section below OR if varying this amount, complete F2, F3, F4</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Estimated FBT for the year</td> <td style="width: 10%;">F2</td> <td style="width: 5%;">\$</td> <td style="width: 55%; text-align: right;"> <input style="width: 100%;" type="text"/>.00 </td> </tr> <tr> <td>Varied amount for the quarter</td> <td>F3</td> <td>\$</td> <td style="text-align: right;"> <input style="width: 100%;" type="text"/>.00 </td> </tr> </table> <p style="text-align: center; font-weight: bold; font-size: small;">Write the F3 amount at 6A in the Summary section below</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Reason code for variation</td> <td style="width: 10%;">F4</td> <td style="width: 60%; text-align: right;"> <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> </td> </tr> </table>	F1	\$	<input style="width: 100%;" type="text"/>	Estimated FBT for the year	F2	\$	<input style="width: 100%;" type="text"/> .00	Varied amount for the quarter	F3	\$	<input style="width: 100%;" type="text"/> .00	Reason code for variation	F4	<input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>
Total salary, wages and other payments	W1	\$	<input style="width: 100%;" type="text"/> .00																																
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Amount withheld where no ABN is quoted	W4	\$	<input style="width: 100%;" type="text"/> .00																																
Other amounts withheld (excluding any amount shown at W2 or W4)	W3	\$	<input style="width: 100%;" type="text"/> .00																																
Total amounts withheld (W2 + W4 + W3)	W5	\$	<input style="width: 100%;" type="text"/> .00 Write the W5 amount at 4 in the Summary section below																																
F1	\$	<input style="width: 100%;" type="text"/>																																	
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Summary																																			
Amounts you owe the Tax Office		Amounts the Tax Office owes you																																	
GST on sales	1A	\$	<input style="width: 100%;" type="text"/> .00																																
Wine equalisation tax	1C	\$	<input style="width: 100%;" type="text"/> .00																																
Luxury car tax	1E	\$	<input style="width: 100%;" type="text"/> .00																																
PAYG tax withheld	4	\$	<input style="width: 100%;" type="text"/> .00																																
PAYG income tax instalment	5A	\$	<input style="width: 100%;" type="text"/> .00																																
FBT instalment	6A	\$	<input style="width: 100%;" type="text"/> .00																																
Deferred company/fund instalment	7	\$	<input style="width: 100%;" type="text"/> .00																																
1A + 1C + 1E + 4 + 5A + 6A + 7		8A	<input style="width: 100%;" type="text"/> .00																																
GST on purchases	1B	\$	<input style="width: 100%;" type="text"/> .00																																
Wine equalisation tax refundable	1D	\$	<input style="width: 100%;" type="text"/> .00																																
Luxury car tax refundable	1F	\$	<input style="width: 100%;" type="text"/> .00																																
Credit from PAYG income tax instalment variation	5B	\$	<input style="width: 100%;" type="text"/> .00																																
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Payment or refund?																																			
Is 8A more than 8B? (Indicate with X)		Your payment or refund amount																																	
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Declaration I declare that the information given on this form is true and correct, and that I am authorised to make this declaration. The tax invoice requirements have been met.	Please return this completed form to	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"> <table style="margin: auto;"> <tr> <td style="border: 1px solid black; padding: 2px;">HRS</td> <td style="border: 1px solid black; padding: 2px;">MINS</td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table> </td> <td style="width: 50%; font-size: x-small; padding-left: 5px;"> Please estimate the time taken to complete this form. Include the time taken to collect any information. </td> </tr> </table>		<table style="margin: auto;"> <tr> <td style="border: 1px solid black; padding: 2px;">HRS</td> <td style="border: 1px solid black; padding: 2px;">MINS</td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table>	HRS	MINS			Please estimate the time taken to complete this form. Include the time taken to collect any information.																										
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Australian Government Australian Taxation Office	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; height: 20px;"></td> <td style="width: 50%;"></td> </tr> <tr> <td style="height: 20px;"></td> <td></td> </tr> <tr> <td style="height: 20px;"></td> <td></td> </tr> </table>																																		

INSTALMENT ACTIVITY STATEMENT

J



41970404

Instalment activity statement

Office use only

Document ID

Form due on

Payment due on

Contact phone number

Contact person who completed the form

When completing this form, please

- use a BLACK pen only (to help with processing)
- leave boxes blank if not applicable (do not use N/A, NIL)
- show whole dollars only (do not show cents)
- do not use symbols such as +, -, /, \$

PAYG income tax instalment

Complete Option 1 OR 2 (indicate one choice with an X)

Option 1: Pay a PAYG instalment amount quarterly

T7 \$

Write the T7 amount at 5A in the Summary section over the page OR if varying this amount, complete T8, T9 and T4

Estimated tax for the year T8 \$

Varied amount for the quarter T9 \$

Write the T9 amount at 5A in the Summary section over the page and then complete the other sections

Reason code for variation T4

OR

Option 2: Calculate PAYG instalment using income times rate

PAYG instalment income T1 \$

T2 %

OR

New varied rate T3 %

T1 x T2 (or x T3) T11 \$

Write the T11 amount at 5A in the Summary section over the page and then complete the other sections

Reason code for variation T4

PAYG tax withheld

Total salary, wages and other payments W1 \$

Amount withheld from payments shown at W1 W2 \$

Amount withheld where no ABN is quoted W4 \$


Other amounts withheld (excluding any amount shown at W2 or W4) W3 \$

Total amounts withheld (W2 + W4 + W3) W5 \$


Write the W5 amount at 4 in the Summary section over the page and then complete the other sections

NAT 4197-4.2004


How to pay




B PAY: contact your bank, credit union or building society to make this payment from your cheque or savings account. Quote biller code **75556** and your EFT code (shown on the other side of this payment slip) as the customer reference number.




Direct credit: transfer funds directly to the Tax Office using computer based banking software.



Direct debit: have your payment deducted from your nominated bank account (excluding credit cards).



Mail payments: mail this payment slip together with your cheque / money order using the envelope provided. Please do not use pins or staples. Do NOT send cash.



Post Office: payments can be made at any Post Office by cash, cheque or EFTPOS (subject to daily limits). A \$3,000 cash limit applies. Your payment slip must be presented with your payment.

- Cheques/money orders should be made payable to the 'Deputy Commissioner of Taxation' and crossed 'Not Negotiable'.
- All cheques must be tendered in Australian currency.

ⓘ Payments cannot be made by credit card or in person at any Tax Office branch or shopfront.

INSTALMENT ACTIVITY STATEMENT

Fringe benefits tax (FBT) instalment

F1 \$

**Write the F1 amount at 6A in the Summary section below
OR if varying this amount, complete F2, F3, F4**

Estimated FBT for the year F2 \$.00

Varied amount for the quarter F3 \$.00

Write the F3 amount at 6A in the Summary section below

Reason code for variation F4

Summary

Amounts you owe the Tax Office	Amounts the Tax Office owes you
PAYG tax withheld 4 \$ <input style="width: 100px;" type="text"/> .00	Credit from PAYG income tax instalment variation 5B \$ <input style="width: 100px;" type="text"/> .00
PAYG income tax instalment 5A \$ <input style="width: 100px;" type="text"/> .00	Credit from FBT instalment variation 6B \$ <input style="width: 100px;" type="text"/> .00
FBT instalment 6A \$ <input style="width: 100px;" type="text"/> .00	
Deferred company/fund instalment 7 \$ <input style="width: 100px;" type="text"/> .00	
4 + 5A + 6A + 7 8A \$ <input style="width: 100px;" type="text"/> .00	5B + 6B 8B \$ <input style="width: 100px;" type="text"/> .00

Payment or refund?

Is 8A more than 8B? (indicate with X)

Yes, then write the result of **8A minus 8B** at 9. **This amount is payable to the Tax Office.**

No, then write the result of **8B minus 8A** at 9. **This amount is refundable to you** (or offset against any other tax debt you have).

Your payment or refund amount

9 \$.00

ⓘ Do not use symbols such as +, -, /, \$

Declaration I declare that the information given on this form is true and correct, and that I am authorised to make this declaration. Signature _____ Date ____ / ____ / ____	Please return this completed form to _____	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; border-bottom: 1px solid black;">HRS</td> <td style="text-align: center; border-bottom: 1px solid black;">MINS</td> </tr> <tr> <td style="text-align: center;"><input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/></td> <td style="text-align: center;"><input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/></td> </tr> </table> Please estimate the time taken to complete this form. Include the time taken to collect any information.	HRS	MINS	<input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>	<input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>
HRS	MINS					
<input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>	<input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>					

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 Australian Government Australian Taxation Office	

TAXATION STATISTICS 2004-05

161

A

ABN not quoted, gross payment where, 15, 30, 45
 accommodation, cafes and restaurants, see industry
 acquisitions, compulsory, 66
 activity statements, 156–61,
 industry ratios, 103, 104–5
 administration/management expenses, 47
 personal taxpayers' tax affairs, 11
 age of taxpayers, 7, 8
 deductible superannuation guarantee contributions limits, 98
 superannuation co-contribution entitlements, 100
 agriculture, see primary production
 airline transport, 78
 alcohol
 excise, 89, 91
 wine equalisation tax, 88
 allowable deductions, see deductions/expenses
 allowances, benefits, earnings and tips etc., 10
 alternative fuels, 96
 annual tax returns, see tax returns
 annuities, see superannuation
 ANZSIC, 2
 assessable government industry payments, 15, 30
 assets
 self managed superannuation funds, 99
 source of capital gains, 70–1
 see also depreciation
 attributed foreign income, personal taxpayers, 10
 attributed personal services income, 10
 AusIndustry, 83
 Australian and New Zealand Standard
 Industrial Classification, 2
 Australian business number (ABN) not quoted,
 gross payment where, 15, 30, 45
 Australian Capital Territory, personal tax returns from, 7, 8
 Australian Customs Service collections, 85, 86, 87
 Australian film industry, 11, 84
 Australian franking credits from NZ company, 10, 45
 Australian government pensioners and beneficiaries, 10, 17
 averaging tax offset, 17
 aviation gasoline, 90
 aviation kerosene, 90

B

bad debts, 15, 32, 56, 63
 beer excise, 89, 91
 benchmarks, 102–5
 beneficiaries, see government pensioners
 and beneficiaries; trusts
 benefits, allowances, earnings and tips etc, 10
 biodiesel, 96
 board, 78
 brandy, 91
 building and construction industry, see industry

business activity statements, 158–61
 business income, see income
 business services, see industry

C

capital gains, 9, 66–71
 capital gains tax (CGT), 66–73
 capital gains tax (CGT) schedule, 70–2, 148–51
 capital losses, 66, 72
 capital works deductions, 47
 rent, 13
 car parking, 78
 cars, see motor vehicles
 cash & term deposits, 99
 charitable institutions, see non-profit companies
 children, tax offsets and payments for, 80, 81–2
 cigarettes, 90
 cleaner fuels grants scheme, 96
 clothing expenses, 12
 Commonwealth of Australia pensioners
 and beneficiaries, 10, 17
 communication industry, see industry
 companies, 25–39
 capital gains, 67–8, 69, 71
 capital losses, 72
 employee share schemes, 66
 energy grants credits scheme payments to, 92, 93
 fuel sales grants scheme payments to, 95
 tax return form, 120–3
 complying superannuation funds, 40
 compulsory acquisitions, 66
 consolidated companies, 28
 construction, see industry
 cooperative companies, 34
 corporate superannuation funds, 40, 41
 deductions, 46
 income, 43
 net tax, 48
 corporate unit trusts, 34
 corporations, see companies
 costs, see deductions/expenses
 credits, see tax offsets (rebates) and credits
 crude oil excise, 89, 91
 cultural and recreational services, see industry
 current pension income, 47
 Customs collections, 85, 86, 87

D

debts
 companies, 32
 partnerships, 56
 personal taxpayers, 15; for student fees, 20
 trusts, 63

- deductions/expenses, 103
 - black hole expenditure, 66
 - companies, 31–2
 - partnerships, 52, 56
 - personal (individual) taxpayers, 7, 11–13, 15
 - superannuation funds, 46–7
 - trusts, 59, 63
 - see also* salary and wage expenses
 - deferred GST scheme, 87
 - deferred losses of personal taxpayers, 7, 10
 - Department of Communications, Information Technology and the Arts, 84
 - Department of the Environment and Water Resources, 95
 - dependants, tax offsets and payments for, 17, 80, 81–2
 - depreciation
 - companies, 32
 - partnerships, 56
 - personal taxpayers, 15
 - superannuation funds, 47
 - trusts, 63
 - development allowance, 25
 - diesel fuels, 92–5
 - excise, 90
 - disability & group life premiums, 47
 - dividend and interest deductions, 11
 - dividends and distributions (shares)
 - capital gains, 70–1
 - companies, 30, 71
 - partnerships, 55
 - personal taxpayers, 9, 10, 70
 - superannuation funds, 45, 71, 99
 - trusts, 62
 - donations or gifts, 11
- E**
- e-tax, 7–8
 - earlier year (deferred) losses of personal taxpayers, 7, 10
 - earnings, *see* income
 - education, 12, 20
 - see also* industry; non-profit companies
 - election expenses, 11
 - electricity, gas and water supply, *see* industry
 - eligible termination payments, 10, 17, 101
 - employee share schemes, 66
 - employees
 - fringe benefits contributions, 30, 77–8
 - salary and wage earners, 2, 9, 10
 - superannuation fund contributions, 45
 - work-related expenses, 7, 11, 12
 - see also* superannuation
 - employer-sponsored superannuation funds, *see* corporate superannuation funds
 - employers
 - superannuation fund contributions, 45
 - superannuation guarantee, 98
 - see also* fringe benefits tax
 - energy grant schemes, 92–6
 - energy grants credits scheme, 4, 92–4
 - environment protection tax offset, 17
 - e-tax, 7–8
 - ETPs, 10, 17, 101
 - excise, 89–91
 - exclusion criteria, ratios and, 103
 - exempt current pension income, 47
 - expense payments as fringe benefits, 78
 - expenses, *see* deductions/expenses
 - expenses to sales ratio, 103
 - external labour expenses, 15, 32, 56, 63
 - see also* salary and wage expenses
- F**
- family tax benefit, 80, 81–2
 - farm management withdrawals and deposits, 10
 - farming, *see* primary production
 - FBT, *see* fringe benefits tax
 - female taxpayers, *see* sex of taxpayers
 - film and television tax offset, 80, 84
 - film industry incentives, 11
 - finance and insurance industry, *see* industry
 - financial ratios, 102, 103–4
 - financial (tax) year for FBT, 74
 - first child tax offset, 81
 - fishing, *see* primary production
 - foreign assets of self managed superannuation funds, 99
 - foreign expenses, 11, 32, 47
 - foreign income, 10, 45
 - foreign resident withholding
 - companies, 25
 - partnerships, 52
 - personal taxpayers, 7, 15
 - superannuation funds, 47
 - trusts, 59
 - foreign residents, 7, 15, 19
 - foreign superannuation/annuities/pensions, 10, 11
 - foreign tax credits, personal taxpayers, 17
 - forestry, *see* primary production
 - franked dividends, 45
 - see also* imputation (franking) credits
 - fringe benefits tax, 74–9
 - activity statements, 159, 161, 163
 - employee contributions, 30, 77–8
 - tax return form, 144–6
 - FTB, 80, 81–2
 - fuel, *see* petroleum and petroleum products
 - fuel sales grants scheme, 95
 - funds, *see* superannuation funds
- G**
- gains, *see* capital gains
 - gender of taxpayers, *see* sex of taxpayers
 - gifts or donations, 11
 - goods and services tax, 5, 85–7
 - activity statement, 158, 160
 - annual information report, 149
 - annual return, 147–8
 - net GST to sales ratio, 103
 - source of statistics, 6
 - government industry payments, 15, 30
 - government organisations, energy grant
 - scheme payments to, 92, 93, 95
 - government pensioners and beneficiaries, 10, 17

- government superannuation funds, *see* public sector superannuation funds
 - greases and oils, 90
 - gross dividends/distributions, *see* dividends and distributions (shares)
 - gross GST payable, 87
 - gross interest, *see* interest
 - gross payments – labour hire or other specified payments, 15
 - gross payments – voluntary agreement, 15
 - gross payments subject to foreign resident withholding, *see* foreign resident withholding
 - gross payments where ABN not quoted, 15, 30, 45
 - gross profit ratio, 102
 - gross rent, *see* rent
 - group life & disability premiums, 47
 - GST, *see* goods and services tax
- H**
- head companies, 28
 - health, 17
 - Medicare, 18
 - private insurance rebate, 80, 82
 - see also* industry
 - heating oil, 90
 - Higher Education Contribution Scheme (HECS), 20
 - Higher Education Loan Programme (HELP), 19
 - housing as fringe benefits, 78
- I**
- illegal activities, 66
 - imports, deferred GST scheme, 87
 - imputation (franking) credits
 - personal taxpayers, 9, 10, 16, 17
 - superannuation funds, 45
 - income, 3
 - companies, 3, 29–30
 - entity size by, 27
 - partnerships, 54–5
 - personal (individual) tax payers, 3, 9–10, 13–15
 - superannuation funds, 3, 43–5
 - trusts, 61–2
 - see also* taxable income
 - income tax, 7–65
 - returns and schedules, 108–43, 150–7
 - income year, FBT, 74
 - incorporated bodies, *see* companies
 - indexation of rates, 89, 101
 - individuals, *see* personal (individual) taxpayers
 - industry, 2
 - companies, 26, 29, 31, 35; research and development tax offset, 83
 - energy grants credit scheme payments to, 92–4
 - fringe benefits tax, 74–7
 - goods and services tax, 86–7
 - partnerships, 53–4
 - personal (individual) taxpayers, 2, 14
 - superannuation funds, 42, 44, 46, 49
 - trusts, 60–1
 - industry benchmarks, 102–5
 - industry payments by government, 15, 30
 - Industry Research and Development Board, 83
 - industry superannuation funds, 40, 41
 - deductions, 46
 - income, 43
 - net tax, 48
 - input tax credits, 87
 - instalment activity statement, 162–3
 - interest
 - companies, 25, 30
 - partnerships, 55
 - personal taxpayers, 10
 - superannuation funds, 45
 - trusts, 62
 - interest and dividend deductions, 11
 - interest expenses/deductions
 - companies, 32
 - partnerships, 56
 - personal taxpayers, 15
 - superannuation funds, 47
 - trusts, 63
 - internet lodgments (e-tax), 7–8
 - investment, 2
 - source of capital gains, 70–1
 - superannuation fund expenses, 47
 - see also* dividends and distributions; interest; rent
- K**
- kerosene, 90
- L**
- labour expenses, *see* external labour expenses; salary and wage expenses
 - landcare and water tax offset, 17
 - large entities, *see* size of entities
 - lease expenses, 15, 32, 56, 63
 - see also* rent
 - liabilities, 5
 - excise, 89
 - GST, 85–6
 - luxury car tax, 88
 - wine equalisation tax, 88
 - see also* tax payable
 - life assurance (insurance) bonuses, 17
 - life insurance policies, 99
 - limited partnerships, 34
 - loans, 99
 - lodgments
 - companies, 25–7
 - fringe benefits tax returns, 74
 - partnerships, 52–3
 - personal (individual) taxpayers, 7–8
 - superannuation funds, 41–2
 - trusts, 59–60
 - loss/nil entities, *see* size of entities
 - losses
 - capital, 66, 72
 - companies, 34, 72
 - personal (individual) taxpayers, 7, 10, 11, 14, 72
 - superannuation funds, 47, 72
 - losses schedule, 152–155
 - Lost Members Register, 99
 - low income tax offset, 17

low value pool deductions, 11
 lump sum payments, 10, 101
 luxury car tax, 88

M

maintenance and repairs, 15, 32, 56, 63
 male taxpayers, *see* sex of taxpayers
 management/administration expenses, 47
 personal taxpayers' tax affairs, 11
 manufacturing, *see* industry
 mature age worker tax offset, 7, 17
 medical expenses tax offset, 17
 Medicare, 18
 medium entities, *see* size of entities
 members in superannuation funds, 40
 self managed, 99
 men taxpayers, *see* sex of taxpayers
 micro entities, *see* size of entities
 mining, *see* industry
 motor vehicles, 88
 companies, 32
 as fringe benefits, 78
 partnerships, 56
 personal taxpayers, 12, 15
 trusts, 63

N

net business income
 partnerships, 55
 personal taxpayers, 10, 14–15
 trusts, 62
 net capital gains, 9, 67–9
 net farm management withdrawals and deposits, 10
 net foreign income, superannuation funds, 45
 net GST, 85–7
 net GST to sales ratio, 103
 net non-arm's length income, superannuation funds, 45
 net partnership and trust distributions, personal taxpayers, 10
 net personal services income, 10
 net previous income, superannuation funds, 45
 net profit ratio, 102
 net rent, *see* rent
 net tax, 3, 19, 33–5, 48–9
 New South Wales, personal tax returns from, 8
 New Zealand companies, franking credits from, 10, 45
 non-arm's length income, 45
 non-employer sponsored superannuation, 11
 non-government pensions, *see* superannuation
 non-primary production, 7, 52, 59
 non-profit companies, 25, 34
 fringe benefits tax rebates, 76
 non-regulated superannuation funds, 40, 41
 deductions, 46
 income, 43
 net tax, 48
 non-residents, 19
 see also foreign resident withholding
 non-taxables, *see* taxable status
 Northern Territory, personal tax returns from, 8

O

off-road activity, energy grants credits scheme, 92–3
 offsets, *see* tax offsets
 oil, *see* petroleum and petroleum products
 on-road activity, energy grants credits scheme, 93–4
 options, 66
 other business income, personal taxpayers, 15
 other business type income, personal taxpayers, 15
 other expenses/deductions
 companies, 31
 partnerships, 56
 personal taxpayers, 15
 superannuation funds, 47
 trusts, 63
 other foreign income, personal taxpayers, 10
 other gross income, companies, 30
 other income, superannuation funds, 45
 other income category 1, personal taxpayers, 10
 other income category 2, personal taxpayers, 10
 other pensions/annuities, *see* superannuation
 other work-related expenses, 12
 overseas assets of self managed superannuation funds, 99
 overseas expenses, 11, 32, 47
 overseas forces or zone tax offset, 17
 overseas income, 10, 45
 overseas residents, 19
 see also foreign resident withholding
 overseas superannuation/annuities/pensions, 10, 11
 overseas tax credits, personal taxpayers, 17

P

parents and relatives, dependent, 17
 parking, 78
 partnership and trust distributions, 10
 partnership distributions, 30, 45
 partnerships, 52–58
 energy grants credits scheme payments to, 92, 93
 fuel sales grants scheme payments to, 95
 limited, 34
 tax return form, 124–9
 payments and transfers, 80–4
 energy grants schemes, 92–6
 superannuation system, 98, 100; fund deductions, 47
 see also tax offsets (rebates) and credits
 PDFs, 34
 pensioners, 10
 tax offset, 17
 see also superannuation
 personal and other services, *see* industry
 personal (individual) taxpayers, 3, 7–24
 capital gains, 9, 67–8, 70
 capital losses, 72
 energy grants credits scheme payments to, 92, 93
 fuel sales grants scheme payments to, 95
 payments and transfers to, 4
 tax return form, 108–119
 personal services income, 10
 petroleum and petroleum products, 92–6
 excise, 89, 90, 91
 resource rent tax, 36
 petroleum resource rent tax, 36

pooled development funds, 34
 premium unleaded petrol, 96
 previous income, superannuation fund, 45
 PRRT, 36
 primary imputation credits, personal taxpayers, 9, 10
 primary production, 7, 52, 59
 farm management withdrawals or deposits, 10
 see also industry
 prior year (deferred) losses of personal taxpayers, 7, 10
 private companies, 34
 private health insurance, 18
 tax rebate, 82
 product stewardship for oil program, 95
 profit ratios, 102
 see also losses
 profits, non-taxable companies, 34
 project pool deductions, 11
 property and business services, *see* industry
 property and real estate, 70–1, 78, 99
 public companies, 34
 public educational institutions, *see* non-profit companies
 public sector superannuation funds, 40, 41
 deductions, 46
 income, 43
 net tax, 48
 public trading trusts, 34

Q

Queensland, personal tax returns from, 8

R

rates
 capital gains, 66
 companies, 25
 excise duties, 89, 91
 fringe benefits tax, 74
 goods and services tax (GST), 85
 Medicare, 18
 partnership members, 52
 personal taxpayers, 19
 reasonable benefit limits, 101
 superannuation co-contribution, 100
 superannuation guarantee charge, 98
 ready-to-drink beverages, 91
 real estate, 70–1, 78, 99
 reasonable benefit limits, 101
 rebates, *see* tax offsets (rebates) and credits
 recouped losses, 47
 recycled oil, 95
 redundancy (termination) payments, 10, 17, 101
 refined petroleum products, *see* petroleum
 and petroleum products
 relatives and parents, dependent, 17
 religious institutions, *see* non-profit companies
 rent
 companies, 30
 partnerships, 55
 personal taxpayers, 13
 superannuation funds, 45
 trusts, 62
 rent expenses/deductions
 companies, 32
 partnerships, 56
 personal taxpayers, 13, 15
 trusts, 63
 repairs and maintenance, 15, 32, 56, 63
 research and development tax offset, 83
 resource rent tax, 36
 retail fuel, 95
 retail superannuation funds, 40, 41
 deductions, 46
 income, 43
 net tax, 48
 retail trade, *see* industry
 retirement benefits, 101
 see also superannuation
 returns, *see* tax returns
 royalty expenses, 32, 56, 63

S

salary and wage earners, 2, 9, 10
 see also employees
 salary and wage expenses, 47
 wages to sales ratio, 103
 wages to turnover ratio, 102
 see also external labour
 salary and wages, 9, 10
 sales, 30
 activity statement ratios, 103
 cost of, 15, 32, 56, 63
 schedules and schedule items, 70–2, 150–7
 scientific institutions, *see* non-profit companies
 section 100(2) credits, 17
 self-education, 12, 20
 self managed superannuation funds, 40, 41, 98
 deductions, 46
 income, 43
 net tax, 48
 self-prepared individual tax returns, 8
 Senior Australians tax offset, 17
 sex of taxpayers, 8
 income, 9
 superannuation co-contribution entitlements, 100
 SFSS, 20
 shares, *see* dividends and distributions (shares)
 size of entities
 companies, 27–8, 33, 69; research and development
 tax offset availability, 83
 net capital gains and, 69
 partnerships, 52, 55
 superannuation funds, 40, 42, 49, 69; *see also* self
 managed superannuation funds
 trusts, 59, 62
 small APRA funds, 40, 41
 deductions, 46
 income, 43
 net tax, 48
 source of statistics, 6
 capital gains, 73
 companies, 36
 energy grant schemes, 96

- excise, 91
 - fringe benefits tax, 79
 - goods and services tax, 88
 - industry benchmarks, 103
 - luxury car tax, 88
 - partnerships, 57
 - payments and transfers, 84
 - personal tax, 20
 - petroleum resource rent tax, 36
 - superannuation, 101
 - superannuation funds, 50
 - trusts, 64
 - wine equalisation tax, 88
 - South Australia, personal tax returns from, 8
 - special account, 98
 - spirits, excise, 89, 91
 - spouse tax offsets and credits, 17
 - states, personal tax returns from, 7, 8
 - statistical sources, *see* source of statistics
 - strata title bodies corporate, 34
 - Student Financial Supplement Scheme, 20
 - students, *see* education
 - subsidiary companies, 28
 - sulphur fuels, 96
 - superannuation (non-government pensions and annuities), 97–101
 - company expenses, 32
 - partnership expenses, 56
 - trust expenses, 63
 - superannuation (non-government pensions and annuities),
 - personal taxpayers, 10
 - deductions/expenses, 11, 15
 - reasonable benefit limits, 101
 - tax offsets, 17
 - superannuation co-contribution, 100
 - superannuation funds, 40–51, 99
 - capital gains, 67–8, 69, 71
 - capital losses, 72
 - tax return form, 136–43
 - superannuation guarantee scheme, 98
 - superannuation holding accounts special account, 98
 - superannuation surcharge, 101
- T**
- Tasmania, personal tax returns from, 8
 - tax affairs, cost of management of, 11
 - tax agents, tax returns submitted by, 7, 8
 - tax credits, *see* tax offsets (rebates) and credits
 - tax-free thresholds, 19
 - see also* rates; taxable income
 - tax liabilities, *see* liabilities
 - tax offsets (rebates) and credits, 4, 80–4
 - companies, 25, 34, 92, 93, 95
 - energy grant schemes, 92–6
 - fringe benefits tax, 76
 - GST input tax, 87
 - partnerships, 52, 92, 93, 95
 - personal taxpayers, 7, 10, 16–17; energy grant schemes, 92, 93, 95
 - trusts, 59
 - see also* imputation (franking) credits
 - tax payable
 - capital gains, 68–9
 - fringe benefits, 75
 - goods and services tax, 87
 - see also* liabilities
 - tax rates, *see* rates
 - tax returns, 106–61
 - new features, 7, 25, 52, 59
 - schedules and schedule items, 70–2, 150–7
 - tax offsets and credits claimed on, 17
 - see also* activity statements; lodgments; source of statistics
 - tax year, FBT, 74
 - taxable contributions, transfers of, 47
 - taxable income, 3
 - company lodgment threshold, 25
 - see also* rates; taxable status
 - taxable income, personal (individual) taxpayers, 3, 9
 - capital gains by, 68
 - family adjusted, family tax benefit entitlement claims by, 82
 - Higher Education Contribution Scheme (HECS) repayment threshold, 20
 - Medicare thresholds, 18
 - net rental income by, 13
 - net tax payable by, 19
 - private health insurance rebate by, 82
 - tax payable on, 19
 - taxable status
 - capital gains made, 67
 - capital losses made, 72
 - companies, 25, 34–5, 67, 72
 - personal (individual) taxpayers, 8, 67, 72
 - taxpayers, *see* companies; partnerships; personal (individual) taxpayers; superannuation funds; trusts
 - term & cash deposits, 99
 - termination payments, 10, 17, 101
 - territories, personal tax returns from, 7, 8
 - tips, benefits, allowances and earnings etc., 10
 - tobacco excise, 89, 90
 - total current year capital gains, 70–1
 - total deferred losses, personal taxpayers, 10
 - total dividends, *see* dividends
 - total expenses, *see* deductions/expenses
 - total franking credits, 16, 17
 - total income, *see* income
 - total interest expenses, *see* interest expenses/deductions
 - total net income, partnerships, 55
 - total net income or loss, trusts, 62
 - trade unions, *see* non-profit companies
 - transfers, *see* payments and transfers
 - transport and storage, *see* industry
 - transport fringe benefits, 78
 - travel expenses, 12
 - see also* motor vehicles
 - trust and partnership distributions, 10
 - trust distributions, 30, 45
 - trustees, section 100(2) credits for tax paid by, 17
 - trusts, 59–65
 - corporate, 34
 - in self managed superannuation funds' asset allocation, 99
 - tax return form, 130–5

U

ultra low sulphur fuels, 96
unclaimed superannuation, 99
undeducted purchase price, pensions
 and annuities without, 10, 11
unfranked dividends, superannuation funds, 45
uniforms and clothing, 12
unions, *see* non-profit companies
unit trusts, corporate, 34
university fees, 20
unleaded petrol, 96

V

vehicles, *see* motor vehicles
Victoria, personal tax returns from, 7, 8
voluntary agreements, 15

W

wages, *see* salary and wages
wages to sales ratio, 103
wages to turnover ratio, 102
waste oil, 95
water and landcare tax offset, 17
Western Australia, personal tax returns from, 8
wholesale trade, *see* industry
wine equalisation tax, 88
withholding taxes
 companies, 25, 30
 partnerships, 52
 personal (individual) taxpayers, 7, 15
 superannuation funds, 47
women taxpayers, *see* sex of taxpayers
work-related expenses, 7, 11, 12

Z

zone or overseas forces tax offset, 17