

# Strata title body corporate tax return and instructions 2023

Use these instructions and form to prepare the tax return for a strata title body corporate.

This publication was current at 4 July 2023

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## About the tax return and instructions

How these instructions will help you to complete the strata title body corporate tax return.

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### Get strata title body corporate form

Go to [Strata title body corporate tax return 2023 (NAT 4125, PDF 316KB)](https://caat-p-001.sitecorecontenthub.cloud/api/public/content/c457d6ac-ad9e-4801-803d-b690e197ed88_Strata_title_body_corporate_tax_return_2023_pdf) on our Publication Ordering service (POS) at iorder.com.au to get a copy.

### Publications, legislation and services

When we refer to publications, legislation, services or webpages in this guide we will provide a link to where you can either:

* get a copy of this information
* access and read it online.

### Instructions and tax return

Strata title bodies corporate are treated as public companies under the tax law and must lodge a tax return for any year in which they derive assessable income. If your body corporate only derives amounts that are subject to the principle of mutuality, then you do not need to lodge a tax return. These amounts are not assessable income.

You cannot use the Strata title body corporate tax return 2023 if your body corporate:

* has net capital gains
* has received franked dividends
* has losses brought forward from earlier income years claimed as a deduction
* has tax offset refunds
* has overseas transactions or interests, or
* needs to make an interposed entity election.

In the above situations you must use the [Company tax return 2023](https://www.ato.gov.au/forms-and-instructions/company-tax-return-2023).

#### Capital gain or capital loss

If your strata title body corporate has made a capital gain or a capital loss from a transaction in respect of all or part of the common property, do not include the gain or loss in the tax return for the body corporate. Each proprietor or unit owner must include their share of the capital gain or loss in their own tax return based on their proportion of the lot entitlements.

For more information, see [TR 2015/3](https://www.ato.gov.au/law/view/document?DocID=TXR/TR20153/NAT/ATO/00001) Income tax: matters relating to strata title bodies constituted under strata title legislation.

## Completing the tax return

Instructions for how to complete the strata title body corporate tax return.

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### Is a payment or refund due?

If a payment is due (now or later) or a refund is due, print Y for yes or N for no in the respective payment and refund boxes.

### TFN, body corporate name and ABN

Print the tax file number (TFN), body corporate’s name and Australian business number (ABN) in the boxes provided.

### Current postal address and previous address

If the postal address of the body corporate has not changed from that shown on the last tax return lodged, print the address exactly as shown on that tax return under ‘Current postal address’.

If the postal address of the body corporate has changed from that shown on the last tax return lodged, print the previous postal address exactly as shown on that tax return under ‘Postal address on previous tax return’.

### Location of strata title body corporate

Print the street address of the body corporate. This may not necessarily be the same as the postal address of the body corporate.

### Final tax return

If you consider that the strata title body corporate will not be required to lodge a tax return in future years, print Final in the block provided.

### Electronic funds transfer (EFT)

We need your financial institution details to pay any refund owing to you, even if you have provided them to us before, including:

* Bank State Branch (BSB) number (this number has 6 digits, do not include spaces or hyphens)
* account number (this number has no more than 9 digits, do not include spaces or hyphens)
* account name, for example JQ Citizen. Do not show account type, such as cheque, savings, mortgage offset in the account name. Include spaces between each word and initials where required. If it exceeds 32 characters, provide the first 32 characters only.

Your refund can only be paid into a recognised financial institution account located in Australia.

### Calculation of total profit or loss

#### Income

Complete the following items where applicable:

##### Gross interest

At label F write the amount of interest received or credited during the income year.

Exclude interest from proprietors for late payment of levies.

##### Gross rent and other leasing and hiring income

At label G write the total of these types of income received.

Individual proprietors may be taxed on this type of income, rather than the body corporate, where it is income from common property.

##### Other gross income

At label R write the total of other gross income, for example, inspection fees or access fees, except where received from a proprietor. Do not include receipts that are subject to the principle of mutuality.

##### Total income

At label S write the total of amounts shown at labels F, G and R.

For more information, see [TR 2015/3](https://www.ato.gov.au/law/view/document?DocID=TXR/TR20153/NAT/ATO/00001) Income tax: matters relating to strata title bodies constituted under strata title legislation.

#### Expenses

##### Expenses in earning income

At label S Expenses in earning income write the total of all expenses incurred by the strata title body corporate in deriving its assessable income. You may need to apportion some expenses, for example, if an expense relates to both assessable income and receipts that are subject to the principle of mutuality (which are not assessable).

##### Total expenses

At label Q write the amount shown at label S Expenses in earning income.

#### Total profit or loss

At label T Total profit or loss write the amount at label S Total income minus the amount at label Q Total expenses. This is the net amount of income received by the strata title body corporate during the income year, and does not include receipts subject to the principle of mutuality. If this amount is a loss, print L in the box at the right of the amount.

For more information, see [TR 2015/3](https://www.ato.gov.au/law/view/document?DocID=TXR/TR20153/NAT/ATO/00001) Income tax: matters relating to strata title bodies constituted under strata title legislation.

### Reconciliation to taxable income or loss

#### Taxable income or loss

At item 7 – label T Taxable income or loss write the amount shown at item 6 – label T Total profit or loss. If this amount is a loss, print L in the box at the right of the amount.

You must include an amount here even if it is zero (if zero write 0).

### Calculation statement

You must complete labels A and T5 of the calculation statement. Label I has already been completed for you.

#### Taxable income

At label A write the amount shown at item 7 – label T Taxable income or loss.

* You must include an amount at label A even if it is zero (if zero write 0).
* If the amount is a loss, write ‘0’ at label A.

#### Gross tax

At label B write the amount of tax payable before the allowance of any credits.

* The standard [company tax rate](https://www.ato.gov.au/tax-rates-and-codes/company-tax-rates) is 30%, therefore multiply the amount at item 7 – label T by 30% (or use 25% if you satisfy the reduced corporate tax rate rules). Write this answer at label B.
* If label A was ‘0’, write ‘0’ at label B.

#### Tax payable

At label T5 write the amount shown at label B Gross tax.

You must include an amount at this label even if it is zero (if zero write 0).

#### Tax withheld from interest/investments

At label H4 write any amounts deducted from investment income because a TFN was not provided to the investment body.

#### Eligible credits

At label H write the amount shown at label H4 on this calculation statement.

#### Tax offset refunds

As tax offset refunds cannot be claimed in the Strata title body corporate tax return 2023, label I is pre-filled with ‘0.00’. A strata title body corporate is not generally entitled to claim any refundable tax offsets resulting in tax offset refunds. A company entitled to tax offset refunds must lodge a [Company tax return 2023](https://www.ato.gov.au/forms-and-instructions/company-tax-return-2023).

#### Pay as you go (PAYG) instalments raised

At label K write any PAYG instalments that have been raised for the 2022–23 tax liability.

#### Amount due or refundable

To calculate the amount at label S, add labels H and K, then subtract the total from label T5.

* If the amount at label S is positive, that amount is payable by you.
* If the amount at label S is negative, that amount is refundable to you.

### Hours taken to prepare and complete this tax return

We are committed to reducing the costs involved in complying with your tax obligations. By completing label J you will help us monitor these costs closely.

Your response is voluntary.

When completing this item consider the time, rounded to the nearest hour, that you spent:

* reading the instructions
* collecting the necessary information to complete this tax return
* making necessary calculations
* completing this tax return or putting the tax affairs of the strata title body corporate in order, so that the information could be handed to a tax agent.

Your answer should relate only to the time the strata title body corporate and tax agent (if you have one) spent preparing and completing the tax return, including the time of any unpaid helpers. Tax agents preparing this tax return on behalf of their client should consult with them to obtain a reliable estimate.

### Declaration

The public officer is responsible for doing all things required by the company under section 252 of the Income Tax Assessment Act 1936 or the Regulations. In case of default they are liable to incur the same penalties. For example, the public officer is responsible for lodging the company tax return. If the tax return is lodged late the public officer may be liable for a penalty for failure to lodge on time.

## How to lodge and pay

How to lodge the Strata title body corporate tax return.

The postal address for lodgment of the tax return is:

Australian Taxation Office  
GPO Box 9845  
 (insert the name and postcode of your nearest capital city.)

For example:

Australian Taxation Office  
GPO Box 9845  
SYDNEY  NSW  2001

Do not post payments to this address.

### How to pay

We offer you a range of convenient payment options, both in Australia and overseas.

For more information, see [ato.gov.au/howtopay](https://www.ato.gov.au/individuals-and-families/paying-the-ato/how-to-pay)

Your payment needs to reach us on or before its due date. Check your financial institution’s processing deadlines to avoid making a late payment.