



Family trust distribution tax payment advice

This payment advice must be completed by all entities liable for the family trust distribution (FTD) tax because:

- a distribution has been made, or
- they are now entitled to income or capital need to complete this payment advice.

A separate payment advice should be completed for each distribution of income or capital which attracts an FTD liability.

Please refer to the explanatory notes for a definition of terms used in this payment advice.

If you do not have enough space on the form to answer any question properly or the question needs multiple answers, attach a separate sheet of paper.

Distributing entity tax file number (TFN)		
<input type="text"/>	<input type="text"/>	<input type="text"/>
Year of liability		
<input type="text"/>	<input type="text"/>	<input type="text"/>

1 Type of distributing entity (Print in appropriate box) Interposed entity Family trust

2 Distributing entity details

Name of entity

Current postal address of entity

Suburb/town State/territory Postcode

3 Distribution details (Print in ALL appropriate boxes)

Name of distributee

If distributee is a company, Australian Company Number (ACN) or Australian Registered Body Number (ARBN) ACN or ARBN

Tax file number (TFN) **!** It is not an offence not to quote a TFN. However, TFNs help the Tax Office to correctly identify each entity's tax records.

Nature of distribution Capital Income Date of distribution / /

Distribution amount **A \$**

<p>FTD TAX PAYABLE (A x Rate of tax) B \$ <input type="text"/></p> <p>! Refer to Instructions for Rate of tax.</p>	<p>➔ Payment of the amount shown at B should accompany this payment advice.</p>
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4 Is this payment of the FTD tax in respect of a primary liability or secondary liability? (Print in appropriate box) Primary Secondary

5 Details of election made by the distributing entity

Date election made / / Election commencement time / /

Declaration

I declare that the particulars shown in this payment advice, and any attachments, are true and correct in every detail.

Name of declarer

Capacity in which declaration made public officer director partner trustee Daytime contact phone number

Declarer's signature Date / /

Payment details

Distributing entity tax file number Year of liability

FTD TAX PAYABLE (from B above) **B \$** HOR Dissection code

Family trust distribution (FTD) tax payment advice notes

FAMILY TRUST DISTRIBUTION TAX

FTD tax must be paid when:

- a trustee of a family group makes a distribution outside the family group of the test individual, or
- an interposed entity of a family trust makes a distribution outside the family group of the test individual.

PERSONS LIABLE

If a liability arises under 1 above, the trustee(s) must make the payment.

If the trustee is a company, the trustee and director(s) are jointly and singularly liable.

If a liability arises under 2 above, the liable person will depend on the type of interposed entity.

If the interposed entity is a trust, the trustee/s is/are jointly and singularly liable. If the trustee is a company, the trustee and directors are jointly and singularly liable.

If the interposed entity is a company, the company and directors are jointly and singularly liable.

If the interposed entity is a partnership, the partners are jointly and singularly liable.

If any partner is a company, the partners and directors of the company are jointly and singularly liable.

! In some circumstances, directors may not be liable. Refer to sections 271-15 to 271-40 and Sections 271-60 to 271-65 of Schedule 2F of the *Income Tax Assessment Act 1936* (ITAA1936).

WHEN TO COMPLETE THE PAYMENT ADVICE

The payment advice must be completed for all distributions by family trusts or interposed entities outside the family group. Please complete a separate payment advice for each distribution.

Payment is generally required 21 days after the distribution is made. If the distribution was made before an election form was lodged, you don't need to pay until 21 days after the election was made.

RATE OF TAX

Rate of tax for 2013–14 and earlier	46.5%
Rate of tax for 2014–15	49%
Rate of tax for 2015–16	49%
Rate of tax for 2016–17	49%
Rate of tax for 2017–18 and later	47%

HOW TO PAY

You need to send payment for FTD tax with your payment advice. The calculation of the tax payable is set out in the payment advice.

Send the completed payment advice and your payment to the following address:

**Australian Taxation Office
Locked Bag 1936
ALBURY NSW 1936**

Cheques or money orders should be made payable to the Deputy Commissioner of Taxation and crossed 'not negotiable'. Do not send cash in the mail.

GLOSSARY OF TERMS USED IN THIS PAYMENT ADVICE

Declarer means the trustee/partner/company public officer or director making the payment.

Director means a company director and includes the director of a corporate trustee or corporate partner.

Distributee means a person who receives the distribution which is subject to FTD tax.

Distribution means income or capital distributed under Sections 272-45 to 272-60 of schedule 2F of the ITAA 1936, or giving a distributee entitlement to income or capital.

Distributing entity is any entity which has a family trust and/or interposed entity election in force and makes a distribution outside the family group.

Election commencement time means the time specified on the relevant election form or the first day of the income year specified in the interposed entity election.

Family group includes defined family members of the test individual; certain family-owned or controlled companies, partnerships or trusts; and certain other entities such as charities that are exempt from income tax. Refer to sections 272-75 and 272-80 of Schedule 2F of the ITAA 1936 and items 23 and 23A of schedule 1 to the *Taxation Laws Amendment (Trust Loss and Other Deductions) Act 1998*.

Interposed entity means a trust, company or partnership with an interposed entity election in force. Refer to section 272-85 of Schedule 2F of the *Taxation Laws Amendment (Trust Loss and Other Deductions) Act 1998*.

Primary liability means a FTD liability arising under sections 271-15 to 271-30 of Schedule 2F of the ITAA 1936.

Secondary liability means a FTD tax liability arising under sections 271-60 to 271-65 of schedule 2F of the ITAA 1936.

Test individual means the person whose family group is taken into account for the purpose of the family trust election. Refer to subsection 272-80(3) of schedule 2F to the ITAA 1936.

Year of liability means the income year in which the FTD tax liability arises.

PRIVACY

The ATO is authorised by the *Taxation Administration Act 1953* to request the provision of tax file numbers (TFNs). The ATO will use the TFNs to identify each entity in our records. It is not an offence not to provide the TFNs. However, if the TFNs are not provided, it could increase the chance of delay or error in processing this form.

Taxation law authorises the ATO to collect information including personal information about the person authorised to sign the declaration. For information about your privacy go to ato.gov.au/privacy