



Thin capitalisation test choice

Before you use this form

Use this form to make a choice to apply the group ratio test or the third party debt test pursuant to Division 820 of the *Income Tax Assessment Act 1997* (ITAA 1997) in relation to an income year. We refer to this choice as a thin capitalisation test choice. To make a choice, you must use this approved form.

Who can use this form

Use this form if all of the following apply:

- You want to make a thin capitalisation test choice for an income year.
- You are a general class investor, outward investing financial entity (non-ADI) or inward investing financial entity (non-ADI) for the income year.
- You do not meet the requirements in section 820-37 of the ITAA 1997 (the 90% Australian asset threshold exemption) for the income year.

How to use this form

If you complete:

- a paper copy, print this form and complete it in BLOCK LETTERS using a black or blue pen
- an electronic copy, type in each box and either print a copy or store electronically.

Place **X** in **all** applicable boxes. Answer all questions.

After you complete this form

Print the completed form or keep an electronic copy for your records. Don't send it to us.

- For more information on thin capitalisation test choices and completing this form, including due dates, see [Thin capitalisation test choices](#).

Section A: Entity details

1 Entity's legal name

Full legal name of the entity making the choice

2 Tax file number (TFN) and Australian business number (ABN)

TFN of the entity making the choice (optional)

ABN of the entity making the choice

Section B: Information about your choice

3 Income year

This choice applies to the income year ending Day / Month / Year

4 Your choice

Select one choice for the income year listed in question 3.

- ☐ You choose to apply the group ratio test under subsection 820-46(3) of the ITAA 1997
- ☐ You choose to apply the third party debt test under subsection 820-46(4) of the ITAA 1997
- ☐ You choose to apply the third party debt test under subsection 820-85(2C) of the ITAA 1997
- ☐ You choose to apply the third party debt test under subsection 820-185(2C) of the ITAA 1997

- ⚠ If you are an outward investing financial entity (non-ADI) or an inward investing financial entity (non-ADI) for the income year you may only make a choice to apply the third party debt test.

Section C: Declaration

Name of authorised person signing this declaration

Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other Family name First given name Other given names

Position held

Examples are public officer, trustee, authorised registered tax agent.

Registered tax agent number (if applicable)

Declaration

Select the declaration type depending on whether you are an authorised officer (public officer, trustee or so on) or an authorised agent.

☐

Authorised officer declaration

I declare:

- this is a choice made pursuant to Division 820 of the ITAA 1997
- the entity is a general class investor, outward investing financial entity (non-ADI) or inward investing financial entity (non-ADI) for the income year
- the entity does not meet the requirements in section 820-37 of the ITAA 1997 (the 90% Australian asset threshold exemption) for the income year
- the information I have provided is true and correct
- I am authorised to make this declaration.

☐

Authorised agent declaration

I declare:

- this is a choice made pursuant to Division 820 of the ITAA 1997
- the entity is a general class investor, outward investing financial entity (non-ADI) or inward investing financial entity (non-ADI) for the income year
- the entity does not meet the requirements in section 820-37 of the ITAA 1997 (the 90% Australian asset threshold exemption) for the income year
- this form has been prepared in accordance with information supplied by the entity
- I have received a declaration in writing from the entity stating that the information is true and correct
- I am authorised by the entity to make this declaration.

Signature

Date

 / / 

Print the completed form or keep an electronic copy for your records. Don't send it to us.