



# STRATA TITLE BODIES CORPORATE 2006

## 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 2006* if your body corporate:

- has net capital gains
- has losses brought forward from earlier income years claimed as a deduction
- has overseas transactions or interests, or
- needs to make an interposed entity election.

In the above situations you must use the *Company tax return 2006*.

### NOTE

If your body corporate has made a capital gain or a capital loss from a transaction in respect of all or part of the common property, the gain or loss is not included 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.

### MORE INFORMATION

*Taxation Ruling IT 2505 – Bodies corporate constituted under strata title legislation* discusses the principle of mutuality.

For a full explanation of the tax treatment of strata title bodies corporate, see the list of Taxation Rulings at **Publications** on page 4.

## COMPLETING THE TAX RETURN

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.

Print the entity's tax file number (TFN), Australian business number (ABN) and name in the boxes provided.

Follow the instructions on the *Strata title body corporate tax return 2006* for the following items:

- current postal address
- postal address on previous tax return.

### Location of strata title body corporate

Show the street address of the body corporate.

### Final tax return

If you consider that there will be no requirements for the strata title body corporate to lodge tax returns in future years, print FINAL in the block provided.

## 6 CALCULATION OF TOTAL PROFIT OR LOSS

Complete the following labels where applicable:

### Gross interest

At **F** show the amount of interest received or credited during the income year.

Exclude interest from proprietors for late payment of levies.

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### Gross rent and other leasing and hiring income

At **G** show the total of these types of income received.

Individual proprietors may be taxed on this type of income – see Taxation Ruling IT 2505.

### Other gross income

At **R** show other income – for example, inspection fees, access fees, except where received from a proprietor. Do not include receipts that are subject to the principle of mutuality.

### Total income

At **S** show the total of amounts shown at **F**, **G** and **R**.

### Expenses in earning income

At **S** show 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). See Taxation Ruling IT 2505.

### Total expenses

At **Q** show the amount shown at **S Expenses in earning income**.

### Total profit or loss

At **T** show the amount at **S Total income** minus the amount at **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.

## 7 RECONCILIATION TO TAXABLE INCOME

### Taxable income or loss

At **T** show the amount shown at item 6, label **T**. If this amount is a loss, print **L** in the box at the right of the amount.

## CALCULATION STATEMENT

### Taxable income

At **A** show the amount shown at item 7, label **T Taxable income or loss**.

### Gross tax

At **B** show the amount of tax payable before the allowance of any credits. The company tax rate is 30%.

### Tax payable

At this label show the amount shown at **B Gross tax**.

### PAYG instalments raised

At **T** show any PAYG instalments that have been raised for the current year tax liability.

### Tax withheld from interest/investments

At **Y** show any amounts deducted from investment income because a TFN was not provided to the investment body.

### Total of T and Y

At **R** show the total of amounts shown at **T** and **Y**.

### Total amount of tax payable or refundable

At **S** show the amount of tax that is payable or refundable.

## 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 **J** you will help us to monitor these costs as closely as possible. Your response is voluntary.

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

- reading the instructions
- collecting the necessary information to complete this tax return
- making any necessary calculations, and
- 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 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 failure to lodge on time penalty.

## LODGMET

The only postal address for lodgment of the tax return is:

**Australian Taxation Office**  
**GPO Box X2229**  
**PERTH WA 6847**

The address must appear as shown above.

**Do NOT post payments to this address;** for payment information see **Payment** below.

If you wish to write to the Tax Office send your correspondence to:

**Australian Taxation Office**  
**GPO Box 9990**  
**SYDNEY NSW 2001**

## PAYMENT

### Payment options

You can make payments by several different methods. We prefer to receive payments by electronic means. Payments can be made electronically by BPAY®, direct debit or direct credit. However, payments can also be posted to us or made at Australia Post outlets.

Payments cannot be made in person at a Tax Office branch or shopfront. **We do not accept** payment by credit card.



**BPAY®** allows you to transfer funds from your cheque or savings accounts to us using your financial institution's phone or internet banking service. You can make most tax payments by using BPAY.

To make a payment quote the Tax Office biller code (**75556**) and use your EFT code as the customer reference number. Your EFT code is the string of numbers found immediately above the barcode on your payment slip. This slip is included in the reminder letter we sent you about the due date for income tax payment and lodgment of your tax return.

Your EFT code is also provided on the 'Payment options – details' screen (for business and tax agent portal users) or immediately below the biller code and titled EFT code, on the details screen of your ECI e-BAS (where access is available).

A receipt number is issued at the time the payment is made. Please record it for future reference.

You should check with your financial institution for processing deadlines, to ensure your payments reach us on or before the due date. BPAY payments made out of hours, on a weekend or public holiday **will not reach us** until the next working day.

If you need assistance locating or identifying the EFT code please phone **1800 815 886** or email [payment@ato.gov.au](mailto:payment@ato.gov.au)

For more information about BPAY payments, contact your financial institution.

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## Direct credit

Direct credit allows you to transfer funds electronically from your cheque or savings account using online banking facilities. To make a payment you will need the following information about us:

<b>Bank</b>	<b>Reserve Bank of Australia</b>
<b>BSB number</b>	<b>093 003</b>
<b>Account number</b>	<b>316 385</b>
<b>Account name</b>	<b>ATO direct credit account</b>

To ensure your payment is recorded correctly to your Tax Office account, you must record your EFT code in the direct entry system lodgment reference or in the description field. Your EFT code is the series of numbers found immediately above the bar code on your payment slip.

You should check with your financial institution for processing deadlines, to ensure your payments reach us on or before the due date. Direct credit payments made out of hours, on a weekend or public holiday **will not reach us** until the next working day.

For more information about direct credit payments please visit [www.ato.gov.au](http://www.ato.gov.au) or phone **1800 815 886** or email [payment@ato.gov.au](mailto:payment@ato.gov.au)

## Direct debit

Direct debit provides you with the option of having your tax liability electronically debited from a nominated financial institution account (excluding credit card accounts).

To establish a direct debit, you will need to complete and send a *Direct debit request* (NAT 2284) form to us. The form gives us permission to debit your nominated financial institution account. Forms can be printed and sent by a tax agent using ELS software, or you can order one yourself by phoning **1800 802 308**. Tax agent and business portal users can also send requests to us via the portal's messaging facility.

Send your completed request to:

**Electronic Funds Transfer Section**  
**Australian Taxation Office**  
**Mail: PO Box 665**  
**Moonee Ponds VIC 3039**  
**Fax: (03) 9275 4240**

Please note that the *Direct debit request* must be signed, and it must be received by us at least five working days before the first debit transaction.

For more information about direct debit payments please visit [www.ato.gov.au](http://www.ato.gov.au) or phone **1800 802 308** or email [eft-information@ato.gov.au](mailto:eft-information@ato.gov.au)

## Mail

You can mail a cheque or money order to the address printed on the payment slip forwarded by us.

If a payment slip is not available, you can post payments to the appropriate address below. Include your full name, address, type of payment and ABN or TFN. Do not write your TFN on any cheques.

For NSW, ACT and QLD clients please send payments to:

### **Australian Taxation Office**

**Locked Bag 1793**

**PENRITH NSW 1793**

For WA, SA, NT, TAS and VIC clients please send payments to:

### **Australian Taxation Office**

**Locked Bag 1936**

**ALBURY NSW 1936**

Pins, staples, paper clips or adhesive tape should not be used.

Cheques and money orders should be for amounts in Australian dollars and payable to the 'Deputy Commissioner of Taxation'. They should be crossed 'not negotiable' and must not be postdated. Do not send cash through the mail.

To avoid incurring penalties for late payment you should allow sufficient time for your payment to reach us on or before the due date.

For more information about mail payments please phone **1800 815 886** or email [payment@ato.gov.au](mailto:payment@ato.gov.au)

## In person – at a post office

If you have a pre-printed payment slip with a barcode, you can pay in person at any Australia Post outlet. Photocopies of payment slips are not accepted. Payments can be made by cash, EFTPOS or cheque. Australia Post applies a \$3,000 maximum limit to cash and EFTPOS payments. Cheques should be for amounts in Australian dollars and payable to the 'Deputy Commissioner of Taxation'. They should be crossed 'not negotiable' and must not be postdated. A receipt will be issued for any payment made in person at an outlet.

EFTPOS is available at most outlets. However, payments can only be made using your savings or cheque account. The amount of the payment is also limited to the daily cash withdrawal amount permitted by your financial institution.

For more information on any payment method please phone **1800 815 886** or email [payment@ato.gov.au](mailto:payment@ato.gov.au)

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## SHOPFRONTS

■ For collection of publications, return forms and schedules.

### **AUSTRALIAN CAPITAL TERRITORY**

#### **Canberra**

Ground Floor Ethos House  
28–36 Ainslie Avenue, Canberra

### **NEW SOUTH WALES**

#### **Albury**

567 Smollett Street, Albury

#### **Chatswood**

Shop 43 Lemon Grove Shopping Centre  
441 Victoria Avenue, Chatswood

#### **Hurstville**

##### **1st Floor MacMahon Plaza**

14–16 Woodville Street, Hurstville

#### **Newcastle**

266 King Street, Newcastle

#### **Parramatta**

Ground Floor Commonwealth Offices  
2–12 Macquarie Street, Parramatta

#### **Sydney**

Podium Level Centrepoint  
100 Market Street, Sydney

#### **Wollongong**

93–99 Burelli Street, Wollongong

### **NORTHERN TERRITORY**

#### **Alice Springs**

Jock Nelson Centre  
16 Hartley Street, Alice Springs

#### **Darwin**

24 Mitchell Street, Darwin

### **QUEENSLAND**

#### **Brisbane**

280 Adelaide Street, Brisbane

#### **Townsville**

Stanley Place  
235 Stanley Street, Townsville

#### **Upper Mt Gravatt**

Ground Floor Nexus Building  
96 Mt Gravatt-Capalaba Road  
Upper Mt Gravatt

### **SOUTH AUSTRALIA**

#### **Adelaide**

91 Waymouth Street, Adelaide

### **TASMANIA**

#### **Hobart**

200 Collins Street, Hobart

#### **Launceston**

54 Cameron Street, Launceston

### **VICTORIA**

#### **Cheltenham**

4A, 4–10 Jamieson Street, Cheltenham

#### **Dandenong**

14–16 Mason Street, Dandenong

#### **Geelong**

92–100 Brougham Street, Geelong

#### **Melbourne**

Level 1, Casselden Place  
2 Lonsdale Street, Melbourne

### **WESTERN AUSTRALIA**

#### **Northbridge**

45 Francis Street, Northbridge

#### **NOTE**

Staff at our shopfronts are not trained to help with business tax returns – please phone one of our infolines if you have any business-related enquiries.

# MORE INFORMATION

## INTERNET

- For general tax information and to download publications and rulings, visit [www.ato.gov.au](http://www.ato.gov.au)

## PUBLICATIONS

Publications referred to in these instructions

- *Taxation Ruling IT 2505 – Bodies corporate constituted under strata title legislation (discusses the principle of mutuality)*

Other relevant publications

- *Taxation Determination TD 93/7 – Under what circumstances is a strata title body corporate required to lodge an income tax return?*
- *Taxation Determination TD 93/73 – Will a strata title body corporate be taxed as a non-profit company if it includes non-profit clauses in its by-laws?*
- *Taxation Determination TD 96/22 – Does the interest payable on late levies represent assessable income of a body corporate?*

## To get a Tax Office publication

### If you are not a tax agent

- visit our website at [www.ato.gov.au/publications](http://www.ato.gov.au/publications) for publications, taxation rulings, practice statements and forms
- phone our Publications Distribution Service on **1300 720 092**
- visit one of our shopfronts.

### If you are a tax agent

- use [www.iorder.com.au](http://www.iorder.com.au)
- order by fax on **1300 361 462**
- for queries on the status of your order, phone **1300 720 092**

### If you know the title of the publication you want

- you may order it through our automated speech recognition system operating all day, every day, phone **13 72 26**

## INFOLINES

- **Business** **13 28 66**  
General business tax enquiries including GST rulings, pay as you go (PAYG) instalments and withholdings (from interest, dividends and royalties), business deductions, activity statements (including lodgment and payment), accounts and business registration (including Australian business number and tax file number)
- **Tax agents** **13 72 86**  
For inquiries from registered tax agents
- **Super Choice** **13 28 64**  
For information about choice of superannuation funds and the role of the employer
- **Tax reform** **13 24 78**  
For information about new business tax reform (BTR) measures and exposure draft enquiries
- **Account management** **13 11 42**  
For information about outstanding lodgment or payment obligations for activity statements, PAYG withholding, income tax or fringe benefits tax
- **Personal tax** **13 28 61**  
Individual income tax and general personal tax enquiries
- **Superannuation** **13 10 20**
- **Fax** **13 28 60**  
To get information about business, tax reform, superannuation, excise duty, fuel schemes, non-profit organisations or personal tax sent to your fax machine, phone **13 28 60** and follow the instructions.

## OTHER SERVICES

- **Translating and Interpreting Service** **13 14 50**  
If you do not speak English well and want to talk to a tax officer, phone the Translating and Interpreting Service for help with your call.
- **National Relay Service** **13 36 77**  
If you have a hearing or speech impairment and use a TTY or modem, phone the National Relay Service.
- **Speech to Speech Relay Service** **1300 555 727**  
If you have a speech impairment and do not use a TTY or modem, phone the Speech to Speech Relay Service.  
For 1800 free call numbers phone **1800 555 727** and quote the number you require.

## FEEDBACK

Reader feedback helps us to improve the information we provide. If you have any feedback about this publication, please write to:

**Tax Time Editor**  
**Personal Tax**  
**Marketing and Education – Paper Publishing**  
**Australian Taxation Office**  
**PO Box 900**  
**CIVIC SQUARE ACT 2608**

Your comments on publications will be addressed by the tax time editor. Your feedback on tax matters will be passed on to a specialist technical area. You can also phone our Business Infoline on **13 28 66** for help.



