

## INFORMATION REGARDING YOUR WITHDRAWAL CAPITAL GAINS TAX (CGT) STATEMENT

### ***The purpose of this CGT information ('CGT Information')***

The tax treatment of capital gains and losses is complex. How it applies to you will depend on the type of taxpayer that you are (e.g. an individual, complying superannuation fund, trust or company) and your specific tax circumstances.

This CGT Information will help you understand the Withdrawal Capital Gains Tax Statement ('**CGT Statement**'). This CGT Information should be read in conjunction with the 'Guide to capital gains tax 2021' published by the Australian Taxation Office ('**ATO**') at [www.ato.gov.au](http://www.ato.gov.au). Individual investors should also refer to the 'Personal investors guide to capital gains tax 2021', published by the ATO at [www.ato.gov.au](http://www.ato.gov.au).

If you are an **Individual Australian tax resident**, you may use the instructions in this CGT Information on pages 6 to 9 to assist you in completing your 2020/2021 income tax return in respect of your capital gains and losses on the withdrawal of units in the Platinum Trust Funds.

### ***Why you have received this CGT Information***

You have received this CGT Information because:

1. our records show that you were an Australian tax resident as at 30 June 2021; and
2. you withdrew units from the Platinum Trust Funds during the income year ended 30 June 2021.

### **Important Notice**

**This CGT Information is not in any way intended to constitute taxation or any other professional advice. This CGT Information has been provided to you for informational purposes only and should not be relied upon. This CGT Information has not been prepared with your personal circumstances in mind. A number of assumptions have been made in the preparation of this CGT Information which are set forth on pages 5 and 6 of this CGT Information, and which may not be relevant to you. We strongly recommend that you obtain professional advice from an accountant or tax adviser regarding the completion of your 2020/2021 income tax return and your particular tax circumstances. To the maximum extent permitted by law, no liability is accepted by Platinum Investment Management Limited, any company in the Platinum Group<sup>®</sup> or any of their respective directors, officers or employees for any loss or damage arising as a result of any reliance placed on this CGT Information.**

## HOW TO READ YOUR CGT STATEMENT

**The capital gains and losses that appear in the CGT Statement are in respect of withdrawals of units in the Platinum Trust Funds. These are in addition to any capital gains that may have been attributed to you as part of the 30 June 2021 distribution paid by the Platinum Trust Funds. You should have already received your 'Attribution Managed Investment Trust ('AMIT') Member Annual Statement' in relation to the 30 June 2021 distribution paid by the Platinum Trust Funds. If you have not, please phone Platinum's Investor Services on 1300 726 700 (Australia only) or +61 2 9255 7500 or email [invest@platinum.com.au](mailto:invest@platinum.com.au).**

Your CGT Statement contains two tables:

1. details of your withdrawals of units in the Platinum Trust Funds during the income year ended 30 June 2021; and
2. a summary of your current income year capital gains and capital losses on those withdrawals.

### **Definitions of key terms used in your CGT Statement**

**Acquisition Date:** the date on which the units were acquired. Units can be acquired in a number of circumstances, including by way of distribution re-investments, switches or fee rebates (for performance fee investors).

**Acquisition Price:** represents the unit price applied in respect of the units acquired.

**Capital Gain:** represents the Capital Proceeds less the Adjusted Cost Base and represents the gain made on units withdrawn.

**Capital Loss:** represents the Adjusted Cost Base less the Capital Proceeds and represents the loss made on units withdrawn.

**Capital Proceeds:** represents what you have received on the withdrawal of your units in the current income year ended 30 June 2021.

**Cost Base:** represents the amount used to acquire your units.

**Cost Base Adjustment:** represents (a) any tax deferred or tax free distribution components (if any), and (b) the AMIT cost base net amount.

**Discount Gain:** represents the amount of gains that are eligible for the CGT discount (units that you held for more than 12 months). Individuals and trusts are generally entitled to apply a CGT discount rate of 50%, and complying superannuation funds are entitled to apply a CGT discount rate of 33 $\frac{1}{3}$ %. Companies are generally not entitled to this CGT discount, unless they are eligible for the CGT concession for small businesses.

**Disposal Price:** represents the unit price applied in respect of the units withdrawn.

**Number of Units:** represents the number of units withdrawn.

**Other Gain:** represents the amount of gains on units held for 12 months or less.

**Adjusted Cost Base:** represents the Cost Base reduced by the Cost Base Adjustment. Only units on issue at the relevant ex-date have had their cost base reduced.

**Withdrawal Date:** the date on which the units were withdrawn in the income year ended 30 June 2021. The CGT Statement does not show prior year unit withdrawals.

**INFORMATION REGARDING THE COMPLETION OF YOUR INCOME TAX RETURN (BASED ON INVESTOR TYPE)**

	Individual			Complying Superannuation Fund			Trust (non-AMIT)			Company		
	Net Capital Gain	Total Current Year Capital Gains	Net Capital Losses carried forward to later income years	Net Capital Gain	Total Current Year Capital Gains	Net Capital Losses carried forward to later income years	Net Capital Gain	Total Current Year Capital Gains	Net Capital Losses carried forward to later income years	Net Capital Gain	Total Current Year Capital Gains	Net Capital Losses carried forward to later income years
Amount (\$) (refer to the attached CGT Statement)	\$x	\$x	\$x	\$x	\$x	\$x	\$x	\$x	\$x	\$x	\$x	\$x
2021 Tax Return Label	Label 18A	Label 18H	Label 18V	Label 10A (Fund income tax return) Label 11A (Self-managed superannuation fund annual return)	N/A	Label 13V (Fund income tax return) Label 14V (Self-managed superannuation fund annual return)	Label 21A	N/A	Label 27V	Label 7A	N/A	Label 13V

You should only include in your income tax return the amounts that relate to the type of taxpayer that you are i.e. individual, complying superannuation fund, trust or company.

The CGT discount rates applicable to individuals, complying superannuation funds and trusts have already been applied in calculating the Net Capital Gain amounts in the table above. Companies are not generally entitled to receive a CGT discount rate, unless they are eligible for the CGT concession for small businesses.

## IMPORTANT NOTICE

Platinum provides the CGT Statement as a service to its investors. Although the CGT Statement represents your capital gain/loss based on one of the available methods, being the 'First-in, First-out' ('FIFO') method, you may be entitled to choose to rely upon a different calculation method. We recommend that you speak to your Accountant or Tax Adviser about your individual tax circumstances.

## IMPORTANT ASSUMPTIONS WE HAVE MADE IN PREPARING YOUR CGT STATEMENT

In calculating the capital gains and losses on your withdrawal of units from the Platinum Trust Funds (including any switches you have made), we have made the following assumptions. **You should review these assumptions carefully before deciding whether to use the information provided in the CGT Statement.**

### ***How you acquired or disposed of your units***

- You acquire your units via an application, rather than a transfer from another account. Transferring units from another account that is not a third party account should not involve a taxable transfer of units;
- You did not acquire your units due to a marriage or relationship breakdown that may impact on the Cost Base;
- You did not acquire your units in either your capacity as the Legal Personal Representative (LPR) of a deceased individual, or as a beneficiary of a deceased estate;
- If you held your units jointly, you did not hold them within a deceased estate; and
- You disposed of your units via a withdrawal, rather than a transfer to another account.

### ***Calculation methodology***

- The first parcel of units that you acquired is the first parcel that you have withdrawn. This is referred to as the 'First-in, First-out' ('**FIFO**') method. You are not obliged to use the FIFO method when calculating your capital gains and losses. However, the CGT Statement has been prepared based on this method. If you choose to use a method other than FIFO, either in the current income year or prior income years, then you will need to use your own records;
- You will not apply the indexation method in calculating the capital gain (if any) on the withdrawal of units that you acquired at or before 11:45am on the 21st of September 1999;
- You are not able to take advantage of any form of CGT rollover or loss merger relief in respect of your withdrawal of units; and
- The Cost Base and Capital Proceeds amounts have been calculated by multiplying the Number of Units by the Acquisition Price or Disposal Price, respectively. This may result in a small variance when compared to the original transaction.

**Residency**

- You were an Australian resident at the time you acquired the units (which have been withdrawn during the current income year) and you have been an Australian resident for income tax purposes continuously since the time of acquisition of those units.

**Entity type**

- You are not exempt from Australian income tax (e.g. you are not a charity);
- If you are a superannuation fund, then
  - you are a complying superannuation fund; and
  - none of your units are exempt pension assets.

**Cost base**

- You have not incurred additional incidental costs in respect of the acquisition, holding and/or disposal of your units.

**Purpose for which you held the units**

- You held your units for the purposes of investment, and the Australian CGT rules apply to you;
- Any units withdrawn do not constitute either 'trading stock' or a 'revenue asset' of a business carried on by you; and
- You have an income year ending 30 June 2021.

**If any of these assumptions do not apply to you or your investment, then our calculation of the net capital gain or net capital loss on withdrawal of your units as disclosed in your CGT Statement may not be appropriate for you.**

**FOR RESIDENT INDIVIDUAL TAXPAYERS: INFORMATION REGARDING THE COMPLETION OF YOUR 2021 INCOME TAX RETURN**

**This section of the CGT Information is only suitable for you if you are an Australian tax resident individual taxpayer.**

This information should be read in conjunction with the 'Individual tax return instructions supplement 2021' and 'Personal investors guide to capital gains tax 2021' published by the ATO. Both are available from the ATO website at [www.ato.gov.au](http://www.ato.gov.au).

**How to answer the question 'Did you have a capital gains tax event during the year?' (Label 18G)**

Print X in the 'YES' box at Label 18G.

### **How to answer the question ‘Have you applied an exemption or rollover?’ (Label 18M)**

If you applied an exemption or rollover in relation to your capital gains or losses on any other investments, then write an X in the ‘YES’ box at Label 18M. Otherwise, write an X in the ‘NO’ box.

In preparing your CGT Statement, we have not applied any exemptions or rollovers to your capital gains or losses on the withdrawal of units.

### **How to calculate your *Total Current Year Capital Gains* (Label 18H)**

#### *If you have no other capital gains*

If you have no capital gains from other sources (including no attribution of capital gains from the Platinum Trust Funds) and all the assumptions set out on pages 5 and 6 are applicable to you, then you can use the ***Total Current Year Capital Gains*** figure from the ‘Individual’ section of the table at the end of your CGT Statement.

#### *If you do have other capital gains*

If you have capital gains from sources other than the withdrawal of Platinum Trust Fund units then you will need to follow the steps set out below to calculate the figure you will need to include at Label 18H.

Note. Your capital gains from other sources include any attribution of capital gains from the Platinum Trust Funds for the income year ended 30 June 2021. For information about any attributions, please refer to your ‘Attribution Managed Investment Trust (‘AMIT’) Member Annual Statement’ and the ‘Information Regarding the Completion of your 2021 Tax Return – Only for Individual Australian Tax Residents’ that was sent to you by Platinum on or around the timewhen the distribution was paid.

- Step 1:** Refer to your CGT Statement. Take the figure in the ***Total Current Year Capital Gains*** column from the ‘Individual’ section of the table at the end of your CGT Statement.
- Step 2:** Add to the figure from Step 1 your capital gains amounts (before the application of any capital losses) from other sources. This includes any attribution of capital gains from the Platinum Trust Funds for the income year ended 30 June 2021 For information about these attributions, please refer to your ‘Attribution Managed Investment Trust (‘AMIT’) Member Annual Statement’ and the ‘Information Regarding the Completion of your 2021 Tax Return – Only for Individual Australian Tax Residents’ that was sent to you by Platinum on or around the time when the distribution was paid. This information may show an additional amount that will need to be included at Label 18H.
- Step 3:** Write the resulting figure at Label 18H.

## How to calculate your Net Capital Gain (Label 18A)

### *If you have no other capital gains or losses*

If you have no capital gains or losses from other sources (including no attribution of capital gains from the Platinum Trust Funds) and all the assumptions set out on pages 5 and 6 are applicable to you, then you can use the **Net Capital Gain** figure from the 'Individual' section of the table at the end of your CGT Statement.

### *If you do have other capital gains or losses*

If you have capital gains from sources other than the withdrawal of units then you will need to follow the steps set out below to calculate the figure you will need to write at Label 18A.

Note that your capital gains from other sources include any attribution of capital gains from the Platinum Trust Funds for the income year ended 30 June 2021. For information about any attributions, please refer to your 'Attribution Managed Investment Trust ('AMIT') Member Annual Statement' and the 'Information Regarding the Completion of your 2021 Tax Return – Only for Individual Australian Tax Residents' that was sent to you by Platinum on or around the time when the distribution was paid.

### **Calculate capital gains**

**Step 1:** Refer to the table that provides the detail of your withdrawals in your CGT Statement. Add together the total of the **Discount Gain** and **Other Gain** columns.

**Step 2:** Take the total from Step 1 and add to it your capital gains from other sources (before the application of capital losses). If you applied an exemption or rollover to any capital gains, they do not need to be included in this step.

### **Calculate current income year capital losses**

**Step 3:** Refer to the table in your CGT Statement that provides the details of your unit withdrawals. Add to the total of the **Capital Loss** column, your capital losses in the current income year from other sources.

### **Apply current income year capital losses against gains**

**Step 4:** Apply your current income year capital losses against your capital gains, by deducting the total at Step 3 from the total at Step 2.

If the result is nil or a negative figure, then you can simply write **0** at Label 18A.

If the result is a positive figure, then you need to choose which capital gains you will apply your capital losses against. You may apply your capital losses in any order you wish.



Note down how much capital gains of each type (Other, Index, Discount) that you have remaining.

***Apply prior year capital losses against gains***

**Step 5:** If you have any prior year capital losses, then apply them against the capital gains remaining from Step 4.

If the result is nil or a negative figure, then you can write **0** at Label 18A.

If the result is a positive figure, then you need to choose which capital gains you will apply your prior year capital losses against. Again, you may apply your capital losses in any order you choose.

Note down how much capital gains of each type (Other, Index, Discount) that you have remaining.

***Apply CGT discount***

**Step 6:** If you have any **discount gains** remaining after Step 5, then divide them by two. This represents the CGT discount that individuals are eligible to receive in respect of capital gains on investments held for more than twelve months. **Please be careful to ensure that only discount gains are divided by two.**

***Calculate Net Capital Gain***

**Step 7:** Take the total from Step 6 and add to it any other capital gains or index capital gains remaining from Step 5. Write the resulting figure at Label 18A.

**How to calculate your Net Capital Losses carried forward to later income years (Label 18V)**

If you have any current income year or prior income year capital losses remaining after reducing your capital gains, then write the total of your capital losses remaining at Label 18V.

**WHAT TO DO IF YOU HOLD YOUR INVESTMENT JOINTLY**

If you hold your Platinum Trust Funds units jointly with another person or persons, then you should only include your proportionate share of the capital gains and capital losses shown on the CGT Statement in your tax return.