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NV137: ATO guidance on Trust Distribution

In this episode, we discussed ATO guidance on Trust Distributions.

Key Dates:

- New Year
- Dec BAS - 28th Feb
- Dec Super - 28th Jan
- Director ID – Penalties may now apply if not done

Key Points:

- Section 100A and ATO guidance
- 100A is anti-avoidance rule
- Use of disc trusts
- Common for use of disc trust to give lower tax rate payers a present entitlement
- but not necessarily give them the cash or benefit
- ATO has been clarifying their position lately
- Released a guidance recently
- Examples given that are low risk and high risk
- Ordinary family or commercial dealing
- Risk zones
- Company beneficiary

So, this guidance from the ATO may put some of the current discretionary trust strategies into the spotlight. If you do sit in the high-risk area, you are a good chance for an audit - so get your audit insurance in place. It may be a good idea to consider this guidance before preparing your resolution for this 2023 financial year. If there is anything you would like to discuss from today's program, contact us at www.buscgroup.com.au. This is our last podcast for 2022 so have a great end to the year and we will be back again in early 2023.