

A guide to your Advance Tax Statement (e-tax)

ADVANCE

For investors in the Advance Alliance Suite.

This guide provides instructions to help you include distributions from your Advance investments in your 2011 e-tax return.

Although we're able to provide you with information about your investment, please be aware, we're unable to give tax advice. This guide provides general information only and should not be regarded as tax advice.

If you require further information to help you complete your tax return or information about your personal tax position, we suggest you speak to your accountant or tax adviser. Your Advance Tax Statement, together with this guide, forms a payment summary for the purpose of the Taxation Administration Act.

Please keep your Advance Tax Statement and this guide for income tax purposes.

To complete your tax return online, you'll need to download the 2011 e-tax return software available on the Australian Taxation Office's (ATO) website at www.ato.gov.au.

Please note: you should read the information provided in this guide together with the 'Managed Funds' module of the 'e-tax 2011 help file'. You can access the module once you've downloaded the e-tax return software, by searching for 'Managed Funds' in the Index section of the e-tax help file.

The instructions in this guide only apply to Australian resident individual investors.

- It may not be appropriate to use this guide if:
 - you have prior or current year capital losses
 - your total current year net capital gains or losses exceed \$10,000.
- If you're not the sole holder of an account, you only need to show your share of the income and deductions. For any account where account holders don't share equally in the income and deductions, you should keep a record to show how you worked out your share.
- If you withdrew, switched or transferred any part of your investment during the year, components from the distributions in relation to capital gains may not be included in the 'Summary' section of your Advance Tax Statement. If this is the case, an Advance Capital Gains Tax Statement may be sent to you in August, containing further information to enable you to complete your e-tax return.
- This guide will help you complete the e-tax worksheets for income from your Advance investments and assumes that your only source of trust, capital gains or foreign income is from one or more Advance managed funds.

Entering managed funds information into your e-tax return

Step 1

After entering your personal details (ie your name, address, etc), click on the heading 'Managed Funds' under the heading 'Income' on the left hand navigation bar.

Step 2

At screen 301, click 'Yes,' and complete the questions at screen 307 as they apply to your own circumstances. At screen 302 enter the name of the Advance managed fund from which you received distributions. If you've received distributions from more than one Advance fund, there's no need to complete a separate worksheet for each fund as the information on your Advance Tax Statement totals the information in relation to all your Advance managed fund investments in that account.

Step 3

The information contained in each 'Summary' section of your Advance Tax Statement (see sample below) will enable you to complete the information required under the e-tax headings as above.

Trust items

Complete items 13U, 13Q and 13R as applicable using the information in the 'Summary' section of your Advance Tax Statement.

If you incurred any allowable deductions in relation to your Advance investment, you should include these amounts at item 13Y.

Managed funds

This section is for items from managed funds only. If you have income, deductions or credits from sources other than managed funds, those amounts must be shown at item 13 – Trusts, item 18 – Capital gains or item 20 – Foreign income to ensure that you receive your correct entitlements to credits and capital gains discounts. Each managed fund statement requires a separate worksheet. Use the Existing worksheets navigator to create a new worksheet or review an existing worksheet.

Existing worksheets

Fund name (not sent to the ATO)

Trust items	Your share
Non-primary production income	13U
Other deductions relating to distributions	13V
Franking credit	13Q
TFN amounts withheld from interest, dividends and unit trust distributions	13R
Credits for tax paid by trustee	13S
Foreign resident withholding credit	13A
National rental affordability scheme tax offset	13B

Capital gains	Your share
Net capital gains	18A
Total current year capital gains	18H

Foreign source items	Your share
Assessable foreign source income	20E
Other net foreign source income	20M
Foreign tax paid	20O
Franking credits from a New Zealand company	20F

ADVANCE

TAX STATEMENT
1 July 2010 to 30 June 2011

MR JOHN SAMPLE
NIRVANA
121 LOWER MOUNTAINS ROAD
MOUNT PLEASANT NSW 0000

Investor Number C00000000
Enquiries 132 135
Fax (02) 9259 9734
Internet www.advance.com.au
Issue Date 11 July 2011

SUMMARY: information for your 2011 tax return

tax pack supplement item	amount	tax pack label
non-primary production income	\$675.00	13U
franking credits	\$45.00	13Q
credit for TFN amounts withheld	\$0.00	13R
total capital gains	\$362.00	18H
net capital gains	\$181.00	18A
foreign income	\$25.00	20E/20M

* The capital gain components will be shown in the CGT statement that will be sent to you shortly.

Capital gains

If you didn't withdraw, switch or transfer any part of your Advance investment during the year and there's no asterisk symbol (*) on your statement summary for Capital Gains, complete items 18A and 18H in e-tax using the information contained in the 'Summary' section of your Advance Tax Statement.

If you withdrew, switched or transferred any part of your investment during the year, an Advance Capital Gains Tax Statement may be sent to you in August, which will help you complete the 'Capital Gains' section of your e-tax return. A 'Guide to capital gains tax 2010-2011' (NAT 4151) is also available via the ATO's website at www.ato.gov.au.

Foreign income

Complete items 20E and 20M as applicable using the information in the summary section of your Advance Tax Statement.

Foreign income tax offsets

Calculate the amount of any 'pre-commencement excess foreign income tax' you had from the previous income year. Please refer to the ATO's publication 'Guide to foreign income tax offset rules' (NAT 72923) (FITO guide) to work out how to calculate this amount. The FITO guide is available via the ATO's website at www.ato.gov.au.

If, in your Advance Tax Statement summary there is a foreign income tax offset amount, you will need to follow the FITO guide to work out the amount of foreign income tax offset you are entitled to claim. Once you have worked it out, write this amount at 200 on screen 302.

Australian franking credits on New Zealand dividends

Dividends received from New Zealand companies may have Australian franking credits attached. For the year ended 30

June 2011, we have not been advised of any Australian franking credits by New Zealand companies. Accordingly record a '0' amount in relation to your Advance managed funds at 20F on screen 302.

Management fee rebates

Step 1

If applicable, record the management fee rebate (24V) amount on your Advance Tax Statement summary in your e-tax return by going to 'Item 24 — other income' on the left hand navigation bar.

Step 2

Click 'Yes' on screen 2603. At screen 2604, check the category 2 box.

Step 3

Note the amount and relevant details of the management fee rebate (listed at 24V on your Advance Tax Statement summary) at screen 2609. This should result in the amount of the management fee rebate being shown at item 24V of your 2011 e-tax return.

If applicable, the management fee rebate shown on your Advance Tax Statement is the total of the rebates paid to you during the year 1 July 2010 to 30 June 2011 (reported on a cash basis). If you're required to report this in your e-tax return using a different basis (eg accruals), please adjust this amount accordingly.

Non-resident withholding tax

If you make any payments to an entity whose address or place of payment is outside Australia, you may be required to withhold an amount from such payments if they're attributable to certain tax components included in distributions you receive as a unit holder of an Advance Managed Investment Trust. You can obtain distribution tax component information from our website advance.com.au.

Contact Centre: 1800 819 935

Adviser Services: 1300 361 864

advance.com.au

This information is of a general nature only and has been prepared without taking into account the objectives, financial situation, tax position or needs of any particular person. It is not intended to constitute investment, legal or taxation advice and should not be considered or relied upon as a comprehensive statement on any such matter. You should consider whether the information should be discussed with your accountant or tax adviser and consult with your financial adviser before making an investment decision. The Advance managed funds (Funds) are issued by Advance Asset Management Limited ABN 98 002 538 329 AFSL No. 240902. Before deciding whether to acquire or to continue to hold an investment in a Fund, investors should obtain and consider the Product Disclosure Statement for the Fund, available from Advance at www.advance.com.au or by calling 1800 819 935.

ADVANCE