

Trusts Basics 2016 Online Seminar

Online Duration: 7.5 Hours

Cost: (incl. comprehensive notes and software)

Members of the NTAA

- \$ 359 (i.e., \$326.36 net of GST) – Includes pdf and hard copy of the notes
- \$ 339 (i.e., \$308.18 net of GST) – pdf copy of the notes only

Non-Members of the NTAA

- \$ 459 (i.e., \$417.27 net of GST) – Includes pdf and hard copy of the notes
- \$ 439 (i.e., \$399.09 net of GST) – pdf copy of the notes only

Trusts Basics 2016 Online Seminar

Now available online, this seminar comes complete with seminar notes and will show you how to complete the Trust tax return, how to record distributions on beneficiary tax returns and how to deal with Trust accounting entries.

Along the way the seminar deals with all the tax issues that arise in completing the tax return in a very practical way.

You will have 30 days to watch this seminar, but the timer won't start until you commence the video.

We hope you find the Trusts Basics 2016 online seminar informative.

The Presenters

Rebecca Morgan

Rebecca is a Taxation Consultant with the NTAA and has over 16 years tax experience. Rebecca holds a Bachelor of Arts and Law and a Masters of Taxation.

Rebecca has presented a number of the Back to Basics Seminar series as well as participating in the 2016 Tax Schools Seminars and is also a regular presenter on Tax on the Couch.

Before joining the NTAA, Rebecca worked for the Australian Taxation Office as a Manager of Aggressive Tax Planning and also managed a number of general audit projects.

Ben Kilkenny

Before joining the NTAA, Ben worked in public practice for eight years. Ben is a Chartered Accountant with a Bachelor of Commerce and Masters of Applied Taxation, and has also appeared on Tax on the Couch.

Ben has presented a number of the Back to Basics Seminar series and contributes to the writing of many other NTAA Seminars

CPD/CPE Hours

The seminar allows for **6.5 CPD/CPE PLUS** a bonus hour for viewing the Case Study

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An NTAA Back to Basics Online Seminar

Presented by
Rebecca Morgan & Ben Kilkenny
on behalf of the National Tax &
Accountants' Association Ltd.

Trusts Basics Online 2016



This online seminar is more than just Basics. It is a practical workshop which focuses on UNDERSTANDING the FUNDAMENTALS of Trusts, from the ground-up.

What will be covered in the seminar?

- ❑ A Hands-on Guide to Setting Up and Operating a Trust
- ❑ Accounting for Trusts – Common journal entries used to prepare the financials
- ❑ Step-by-step Guide to Preparing the 2016 Trust Tax Return
 - **STEP 1:** Dealing with all major income and expense items
 - **STEP 2:** Completing the 'Distribution Statement' – Avoid making costly mistakes
- ❑ An Essential Guide to Distributions from a Beneficiary's Perspective!

And...all this is wrapped up with a comprehensive CASE STUDY, which brings together and highlights the various tax issues associated with trusts!



Trusts Basics 2016 REGISTRATION FORM



Trusts Basics Online Seminar 2016

This document will be a **tax invoice** for GST when fully completed and you make a payment. National Tax & Accountants' Association Ltd.
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A Hands-on Guide to Setting Up and Operating a Trust

Laying the foundations – understanding trusts!

We provide you with an essential guide to the fundamentals of trusts, from the ground-up!

- What is necessary to set up a trust?
 - Easy to follow flowchart to creating a trust
- A practical guide to choosing the right Trustee**
 - What are the advantages and disadvantages in using a corporate trustee?
- Who should be the Settlor and Appointor of a trust?
- What is the significance of specifying someone as a default beneficiary of a trust?
- What are the **key elements of a trust deed?**
 - Unique NTAA Trust Deed checklist
- A 'hands-on' guide to the types of trusts available and when they should be used
- Comprehensive table identifying the **advantages and disadvantages of using popular trust structures**
- Checklist of factors to consider when choosing the right trust for clients
- Common GST issues** with setting up a trust:
 - Who registers for GST, the trust or trustee?
 - Whose name and ABN goes on tax invoices?
 - What are the GST registration issues for a partnership of trusts?
 - What name and TFN goes on the trust bank account?

If mailing – please tear off, complete and mail to the NTAA

Glossary of Trust Terminology

We provide a practical and easy to use reference guide, which explains all the common trust terms in plain English. We've removed all the technical jargon for you to simply understand the terms associated with trusts.

Determining trust income

We guide you through the trust and tax law so you can be confident you are achieving the desired outcomes with your annual trustee resolutions.

- Is trust income based on tax or accounting concepts?
- What do you look for in a client's trust deed?
- What is the **'statutory cap'**?
- What is required to be done by 30 June each year?
- How does this impact on the preparation of the trust financials?
- What types of income and capital can be streamed and how?
- Distributing **franked dividends through trusts**
 - What is the problem if a trust has a tax loss?
 - How to overcome the '45 day holding period rule' trap
- Capital gains and trusts
 - How do capital gains affect the calculation of net income?
 - Practical examples of how to deal with trusts with capital gains

Debits, credits through to the financials for trusts!

We unlock the confusion with accounting for trusts – starting with common journal entries being used to prepare the financials!

Dealing with the challenges of different types of trust income

- Providing sample accounting entries for:
 - Franked dividends
 - Capital receipts
 - Capital allowance and building write-off claims
- Dealing with differences between accounting profits and taxable income

A to Z guide to preparing the financials for tax purposes

- Should the financials be prepared on a tax basis?
- What is the relevance of accounting standards?

A back to basics guide to dealing with the accounting entries for trusts

- What journal entries are required for trust distributions?
- How to distinguish between unpaid trust distributions and beneficiary loans

Using the financial accounts to prepare a trust tax return

- What should you look for when provided with the financial accounts of a trust?
- Checklist identifying key items in the financial accounts that are relevant to the preparation of the trust tax return

**Purchase online at
www.ntaa.com.au**



Trusts Basics Online Seminar 2016

Step-by-step Guide to Preparing the 2016 Trust Tax Return

STEP 1: Dealing with all the major income and expense items

We'll show you how to complete the major business income and expense labels as well as other 'key' labels on the trust tax return.

STEP 2: Completing the 'Distribution Statement' – Avoid making costly mistakes!

We take the guesswork out of completing the essential labels on the distribution statement.

- NTAA step-by-step guide on how to complete the distribution statement on the trust return
- A 'plain English' guide to reporting trust income distributions on the distribution statement
- NEW** reporting requirements for trusts distributing income from small businesses
- When must **trustee beneficiary statements** be completed for distributions to trust beneficiaries?
- Dealing with the **TFN withholding rules** administration and reporting requirements

An Essential Guide to Distributions from a Beneficiary's Perspective!

What's in? What's out? Getting the disclosure **RIGHT** when completing a beneficiary's tax return for their share of the trust's net income.

Comprehensive guide to who is assessed on trust income and how this looks in the returns

Distributions to individuals

- Dealing with a distribution comprising capital gains and revenue losses – the latest ATO guidelines
- What is the problem when receiving tax-free distributions from a unit trust?
- When does a beneficiary qualify for franking credits passing through a trust?

Distributions to minors (children)

- ATO crackdown on income splitting for minors
- Who pays tax (and at what rate is tax paid) on distributions to children?
- Does the low income tax offset apply?

Distributions to non-residents

- Does withholding tax apply on the distribution?
- Will the non-resident need to lodge a tax return?

Other important trust issues

We'll highlight the main tax-related issues you need to be mindful of for your trust clients.

Distributions to 'bucket' companies

- Do distributions to companies create Division 7A problems?
- Tax effective strategies to ensure deemed dividends do not arise

Trust losses

- What restrictions apply to trusts with losses?
- Which losses can be carried forward by a trust?
- Can revenue losses be offset against capital gains?

Detailed NTAA guide on the why, when and how of making **Family Trust Elections and Interposed Entity Elections**

Understanding how a trust can access the **Small Business Entity ('SBE') concessions**

Trusts and Personal Services Income (PSI)

- When do the PSI rules apply?
- What happens if they do apply?
- How is the net income of a trust calculated when the PSI rules apply?
- Is income splitting amongst family members acceptable for trusts that carry on a PSB?

Comprehensive Case Study

The presentation includes a comprehensive case study, which brings together and highlights the various tax issues associated with trusts, and preparing trust and beneficiary tax returns.

Specific tax issues that will be covered include:

- Determining and accounting for trust income
- Calculating the net income of a trust, including how to deal with business income, franked dividends and capital gains
- Unique NTAA guidelines on streaming capital gains and dividends to different beneficiaries to save tax
- Making valid trust distributions:
 - Journal entries to record the distribution
 - Sample trust distribution minutes
 - How to distribute income
- Completing the trust tax return, including the distribution statement
- Disclosing each beneficiary's share of trust income and net income in their tax return