

Annual Tax Return Guide

For Individuals
2014

Retail Responsible Entity Limited
ABN 80 145 213 663

RETAIL DIRECT
PROPERTY

This guide has been prepared to help Australian tax resident investors in Retail Direct Property (RDP) Syndicates understand their Annual Taxation Statement and complete their 2014 income tax return.

What You Will Need

You will need the following documents to assist you to complete your 2014 income tax return:

- **A copy of the Individual tax return instructions 2014 (including the supplementary instructions which are only available online);**
- **A copy of the Tax return for individuals 1 July 2013 to 30 June 2014 (including the supplementary section);**
- **A copy of the 'Personal investors guide to capital gains tax 2014'; and**
- **Your RDP Annual Taxation Statement – For Year Ended 30 June 2014.**

The first three publications listed above can be downloaded from the Australian Taxation Office (ATO) website at www.ato.gov.au or by calling the ATO automated publication distribution service on **1300 720 092**. Please note that the supplementary instructions are only available online this year. The RDP Annual Taxation statements have been sent to investors by mail.

Important Information

- This guide applies to you if you are an Australian resident individual taxpayer with units in one or more Retail Direct Property Syndicates. This guide should not be used for other investment income, nor should it be used for other types of taxpayers such as a company, trust, partnership or superannuation fund.
- This guide assumes that you do not have any current year or carried forward revenue losses or capital losses and that you hold your units as an investment on capital account rather than as part of a business that trades in these types of investments. It has also been assumed that the rules relating to the Taxation of Financial Arrangements (TOFA) do not apply to you.
- Your Annual Taxation Statement for the year ended 30 June 2014 summarises the distribution income you received in respect of the 12 months ended 30 June 2014. You should note that the distributions are generally assessable in the year they are earned, regardless of when they are paid. Your Annual Taxation Statement summarises this information for you.
- If you have more than one Annual Taxation Statement from a Retail Direct Property Syndicate investment, please add them up before disclosing the totals in the appropriate boxes of the tax return.
- Please refer to the back of this guide if you have sold your investment during the year ended 30 June 2014.

Note

The taxation treatment of investment income can be complex. We recommend you seek professional taxation advice from your accountant or taxation adviser in relation to your investment in the Retail Direct Property Syndicates. This guide is not and should not be relied upon as taxation advice.

Please use the tables below to locate the relevant tax guide for your investment. The name of the Syndicate you invest in is clearly marked on your Annual Tax Statement for the year ended 30 June 2014.

Tax Guide 1 – Page 4-5

Retail Direct Property 4
Retail Direct Property 5
Retail Direct Property 6
Retail Direct Property 9
Retail Direct Property 10
Retail Direct Property 11
Retail Direct Property 12
Retail Direct Property 14
Retail Direct Property 15
Retail Direct Property 18
Retail Direct Property 21 RPT
Retail Direct Property 23 Property Syndicate
Retail Direct Property 27 Property Trust

Tax Guide 2 – Page 6-7

Retail Direct Property 9 Unit Trust
Retail Direct Property 10 Unit Trust
Retail Direct Property 11 Unit Trust
Retail Direct Property 12 Unit Trust
Retail Direct Property 14 Unit Trust
Retail Direct Property 15 Unit Trust
Retail Direct Property 18 Unit Trust
Retail Direct Property 19
Retail Direct Property 20
Retail Direct Property 21 RHT
Retail Direct Property 23 Investment Syndicate
Retail Direct Property 25
Retail Direct Property 26
Retail Direct Property 27 Investment Trust
Retail Direct Property 34 Trust
Retail Direct Property 37 Trust
Woodlands

Annual Tax Return Guide

For Individuals

2014

A. Australian Taxable Income Components (Items 1, 5, 6, 7 and 8)

Step 1

Refer to the Tax return for individuals (supplementary section) 1 July 2013 to 30 June 2014. In **Question 13 'Partnerships and trusts'**, under the heading of **'Non-primary production'**, enter the total Australian Taxable Income (Item 1) as shown on your Annual Taxation Statement for the year ended 30 June 2014 at **Box U**.

Step 2

If you have incurred any deductible expenses in deriving this income, you should include the total of the expenses in **Box Y** in **Question 13**. These deductions will include Loan Interest (Item 6) and amortised Borrowing Costs (Item 7) used to finance your investment.

Step 3

Determine from the information provided in the Individual tax return instructions supplement 2014 (in **Part C Step 3**) which code (if any) should be put in the box to the right of **Box Y** in **Question 13**.

Step 4

Subtract the total deductions at **Box Y** from the amount you entered at **Box U** in **Question 13**.

Step 5

Enter the amount worked out in Step 4 in the **'Net non-primary production amount'** box in **Question 13**. If this is a negative amount (i.e. a loss) enter **'L'** in the box to the right of this figure.

Step 6

Enter the total amount of Tax Deducted (Item 5) as shown on your Annual Taxation Statement for the year ended 30 June 2014 (if any), in **Box R** of **Question 13**.

Repayment of Investors' Loan (Item 8)

For Retail Direct Property 4, 10, 12 and 27 Property Trust where your share of the Investor loan has been repaid, the repayment of the loan constitutes a distribution and has been included in the total distribution used to calculate your tax components this year. This amount does not need to be disclosed in the tax return.

Tax Guide 1

RETAIL DIRECT PROPERTY

Investor Services
Level 28, 35 Collins Street
Melbourne Victoria 3000
Telephone: 1800 802 400
NZ Freecall: 0800 449 605
Telephone outside Australia: 61 3 8647 2303
Facsimile: 61 3 9236 6582
Email: investor@retaildirectproperty.com.au
Website: www.retaildirectproperty.com.au

Statement Date: **22 August 2014**
SRN:

**Annual Taxation Statement
For the Year Ended 30 June 2014**

Dear Investor

This statement has been prepared to assist with the completion of your Income Tax Return. The following is a summary of your taxable income relating to your total distribution for the year ended 30 June 2014. Generally, this income will be assessable in your 2013-14 Income Tax Return, however, investors should seek their own tax advice. You should refer to the Annual Tax Return Guide for Individuals 2014 prior to completing your Income Tax Return. The Annual Tax Return Guide for Individuals 2014 can be obtained from www.retaildirectproperty.com.au or by contacting us on 1800 802 400 for a hard copy.

1. Australian Taxable Income	2. Discounted Capital Gain – TAP	3. Concession Capital Gain	4. Tax Deferred Income	5. Tax Deducted	6. Loan Interest	7. Borrowing Costs	8. Repayment of Investors' Loan

Net Distribution Paid: = \$

B. Capital Gains Components (Items 2 and 3)

Step 1

Refer to the Tax return for individuals (supplementary section) 1 July 2013 to 30 June 2014. If your distribution does not include capital gains, print **'X'** in the **NO Box** at **Box G** of **Question 18** and you do not need to apply the following steps. If your distribution includes capital gains, continue below.

If your distribution includes capital gains, you should print an **'X'** in the **YES Box** at **Box G** in **Questions 18**. As none of the CGT events of Retail Direct Property Syndicates relate to an exemption or rollover, you should print **'X'** in the **NO Box** at **Box M** in **Question 18**.

Step 2

Multiply the 'Discounted Capital Gain – TAP' (Item 2) as shown on your Annual Taxation Statement for the year ended 30 June 2014 by two.

Step 3

Enter the amount calculated in Step 2 in **Box H** titled **'Total current year capital gains'** in **Question 18**.

Step 4

Multiply the amount calculated in Step 2 by the relevant discount percentage as indicated in Note 2 of your Annual Taxation Statement for the year ended 30 June 2014. Now subtract this calculated discount amount from the amount calculated under Step 2 and enter your net capital gain at **Box A** titled **'Net capital gain'** in **Question 18**.

Note: The amounts for 'Concession Capital Gain (Item 3)' as shown on your Annual Taxation Statement for the year ended 30 June 2014 do not need to be disclosed at any label in your 2013-14 income tax return.

Note: The above recommended steps are not applicable where you have current or prior year carried forward capital losses. If you have any capital losses, we recommend that you seek professional taxation advice on how to complete your tax return for capital gains.

C. Tax Deferred Income (Item 4)

Generally, Tax Deferred Income should not be taxable when received. Tax Deferred Income received reduces the capital gains tax cost base of your units. Once the total Tax Deferred Income amounts received by you during the total period that you hold your units exceeds your cost base in respect of those units, the excess Tax Deferred Income should give rise to a taxable capital gain. In addition, as you acquired your securities after 19 September 1985, if you sell your securities, your capital gain or loss should be calculated by subtracting from your sale proceeds, the cost base of your securities reduced by the total Tax Deferred Income amounts received by you.

If there was a Repayment of Investors' Loan by a Syndicate, the amount of the repayment is included as a component of the Tax Deferred Income.

A. Australian Taxable Income Components (Items 1 and 6)

Step 1

Refer to Tax return for individuals (supplementary section) 1 July 2013 to 30 June 2014. In **Question 13 'Partnerships and trusts'**, under the heading of **'Non-primary production'**, enter the total Australian Taxable Income (Item 1) as shown on your Annual Taxation Statement for the year ended 30 June 2014 at **Box U**.

Step 2

If you have incurred any deductible expenses in deriving this income, you should include the total of the expenses in **Box Y** in **Question 13**.

Step 3

Determine from the information provided in the Individual tax return instructions supplement 2014 (in **Part C Step 3**) which code (if any) should be put in the box to the right of **Box Y** in **Question 13**.

Step 4

Subtract the total deductions at **Box Y** from the amount you entered at **Box U** in **Question 13**.

Step 5

Enter the amount worked out in Step 4 in the **'Net non-primary production amount'** box in **Question 13**. If this is a negative amount (i.e. a loss) enter **'L'** in the box to the right of this figure.

Step 6

Enter the total amount of Tax Deducted (Item 6) as shown on your Annual Taxation Statement for the year ended 30 June 2014 (if any), in **Box R** of **Question 13**.

D. Tax Free Income (Item 5)

This amount relates to any prior year's distribution which has previously been returned as assessable income, hence this amount is not taxable in FY 2014. You do not need to disclose this amount in your income tax return.

Tax Guide 2

**RETAIL DIRECT
PROPERTY**

Investor Services
Level 28, 35 Collins Street
Melbourne Victoria 3000
Telephone: 1800 802 400
NZ Freecall: 0800 449 605
Telephone outside Australia: 61 3 8647 2393
Facsimile: 61 3 9236 6582
Email: investor@retaildirectproperty.com.au
Website: www.retaildirectproperty.com.au

Statement Date: 22 August 2014
SRN:

**Annual Taxation Statement
For the Year Ended 30 June 2014**

Dear Investor

This statement has been prepared to assist with the completion of your Income Tax Return. The following is a summary of your taxable income relating to your total distribution for the year ended 30 June 2014. Generally, this income will be assessable in your 2013-14 Income Tax Return, however, investors should seek their own tax advice. You should refer to the Annual Tax Return Guide for Individuals 2014 prior to completing your Income Tax Return. The Annual Tax Return Guide for Individuals 2014 can be obtained from www.retaildirectproperty.com.au or by contacting us on 1800 802 400 for a hard copy.

1. Australian Taxable Income	2. Discounted Capital Gain - TAP	3. Concession Capital Gain	4. Tax Deferred Income	5. Tax Free Income	6. Tax Deducted

Net Distribution Paid = \$

B. Capital Gains Components (Items 2 and 3)

Step 1

Refer to the Tax return for individuals (supplementary section) 1 July 2013 to 30 June 2014. If your distribution does not include capital gains, print **'X'** in the **NO Box** at **Box G** of **Question 18** and you do not need to apply the following steps. If your distribution includes capital gains, continue below.

If your distribution includes capital gains, you should print an **'X'** in the **YES Box** at **Box G** of **Question 18**. As none of the CGT events of Retail Direct Property Syndicates relate to an exemption or rollover, you should print an **'X'** in the **NO Box** at **Box M** in **Question 18**.

Step 2

Multiply the 'Discounted Capital Gain - TAP' (Item 2) as shown on your Annual Taxation Statement for the year ended 30 June 2014 by two.

Step 3

Enter the amount calculated in Step 2 in **Box H** titled **'Total current year capital gains'** in **Question 18**.

Step 4

Multiply the amount calculated in Step 2 by the relevant discount percentage as indicated in Note 2 of your Annual Taxation Statement for the year ended 30 June 2014. Now subtract this calculated discount amount from the amount calculated under Step 2 and enter your net capital gain at **Box A** titled **'Net capital gain'** in **Question 18**.

Note: The amounts for 'Concession Capital Gain (Item 3)' as shown on your Annual Taxation Statement for the year ended 30 June 2014 do not need to be disclosed at any label in your 2013-14 income tax return.

Note: The above recommended steps are not applicable where you have current or prior year carried forward capital losses. If you have any capital losses, we recommend that you seek professional taxation advice on how to complete your tax return for capital gains.

C. Tax Deferred Income (Item 4)

Generally, Tax Deferred Income should not be taxable when received. Tax Deferred Income received reduces the capital gains tax cost base of your units. Once the total Tax Deferred Income amounts received by you during the total period that you hold your units exceeds your cost base in respect of those units, the excess Tax Deferred Income should give rise to a taxable capital gain. In addition, as you acquired your securities after 19 September 1985, if you sell your securities, your capital gain or loss should be calculated by subtracting from your sale proceeds, the cost base of your securities reduced by the total Tax Deferred Income amounts received by you.

2014 Annual Tax Return Guide

For Individuals

RETAIL DIRECT
PROPERTY

Have you sold your investment?

If you have sold any of your units in any of your syndicate investments during the year ended 30 June 2014, you may have made a capital gain or loss. You will need to obtain a copy of the booklet 'Personal investors guide to capital gains tax 2014' from the ATO to assist in calculating your gain or loss.

You should be aware that the information contained in your Annual Taxation Statement does not include any capital gains or losses that you may have realised relating to a disposal of your units during the year ended 30 June 2014.

Investor Services

Copies of Annual Tax Return Guides for all Retail Direct Property Syndicates are available on the website.

Toll Free (AUS):	1800 802 400
Free call (NZ):	0800 449 605
Telephone outside Australia:	+61 3 8647 2303
Facsimile:	+61 3 9236 6582
Email:	investor@retaildirectproperty.com.au
Website:	www.retaildirectproperty.com.au