

Standard Business Reporting

Australian Taxation Office –

Trust Tax Return (TRT.0012) 2024

Business Implementation Guide

Date: 13 June 2024

Status: Draft

This document and its attachments are **Official.**

For further information, raise an enquiry via[Online Services for DSPs](https://softwaredevelopers.ato.gov.au/OnlineservicesforDSPs)*.* If you areunable to access this, contact[SBRServiceDesk@sbr.gov.au](mailto:SBRServiceDesk@sbr.gov.au)or call **1300 488 231**. International callers may use **+61-2-6216 5577**.

Version control

|  |  |  |
| --- | --- | --- |
| **Version** | **Release date** | **Description of changes** |
| 0.1 | 23/05/2024 | First draft. Changes include:   * TRT.0012 2024 service updates * Updated links to point to correct page |

Endorsement

Daniel Clode, Director, Private Wealth – Endorsed for business context.

Katrena Cawthorne, Director, Individuals and Intermediaries – Endorsed for publication.

Copyright

© Commonwealth of Australia 2024

This work is copyright. Use of this Information and Material is subject to the terms and conditions in the "SBR Disclaimer and Conditions of Use" that is available at [http://www.sbr.gov.au](http://www.sbr.gov.au/). You must ensure that you comply with those terms and conditions. In particular, those terms and conditions include disclaimers and limitations on the liability of the Commonwealth and an indemnity from you to the Commonwealth and its personnel, Standard Business Reporting Agencies and their personnel.

You must include this copyright notice in all copies of this Information and Material that you create. If you modify, adapt or prepare derivative works of the Information and Material, the notice must still be included but you must add your own copyright statement to your modification, adaptation or derivative work that makes clear the nature of your modification, adaptation or derivative work and you must include an acknowledgement that the adaptation, modification or derivative work is based on Commonwealth or SBR Agency owned Information and Material. Copyright in SBR Agency specific aspects of Standard Business Reporting Taxonomy is owned by the relevant SBR Agency.

Table of contents

[1. Introduction 4](#_Toc167967739)

[1.1 Purpose and audience 4](#_Toc167967740)

[1.2 Glossary 4](#_Toc167967741)

[1.3 Consolidation of Records 5](#_Toc167967742)

[1.4 Changes in 2024 TRT service 5](#_Toc167967743)

[2. What are the Trust Tax Return services? 6](#_Toc167967744)

[2.1 Where SBR fits into TRT lodgment obligations 6](#_Toc167967745)

[2.2 Schedules 7](#_Toc167967746)

[2.3 Interactions 7](#_Toc167967747)

2.4 [Channels 8](#_Toc167967749)

[3. Authorisation 9](#_Toc167967750)

[3.1 Intermediary Relationship 9](#_Toc167967751)

[3.2 Access and initiating parties 9](#_Toc167967752)

[4. Constraints and known issues 11](#_Toc167967753)

[4.1 Usage restrictions 11](#_Toc167967754)

[5. Taxpayer declarations 12](#_Toc167967755)

[5.1 Suggested wording 12](#_Toc167967756)

[6. TRT guidance 13](#_Toc167967757)

[6.1 Prior year TRT lodgment through SBR 13](#_Toc167967758)

[6.2 Using the additional free text field 13](#_Toc167967759)

[6.3 TFN and ABN algorithm validation 14](#_Toc167967760)

[6.4 Future years 15](#_Toc167967761)

[6.5 Truncating amounts 15](#_Toc167967762)

[7. Schedules 16](#_Toc167967765)

[7.1 Trust income schedule 16](#_Toc167967766)

[Table 1: Label Changes for TRT 2024 6](#_Toc167874900)

[Table 2: SBR interactions and TRT process 7](#_Toc167874901)

[Table 3: Valid schedules 8](#_Toc167874902)

[Table 4: Interactions available in the TRT lodgment process 8](#_Toc167874903)

[Table 5: Channel availability of TRT interactions 9](#_Toc167874904)

[Table 6: TRT permissions 10](#_Toc167874905)

[Table 7: Access Manager permissions 11](#_Toc167874906)

[Table 8: Example of helpful free text scenarios 15](#_Toc167874907)

# Introduction

## 1.1 Purpose and audience

The purpose of this document is to provide information that will assist Digital Service Providers (DSP) to understand the business context surrounding the Trust Tax Return (TRT) interactions.

This document defines the interactions that are available to lodge or amend a TRT, outlines the reporting parties that can use the services, explains constraints and known issues with the use of the interaction and provides guidance with certain identified issues.

The TRT service refers to the interactions a user can complete with the ATO to:

* lodge a TRT
* lodge an amendment to a TRT
* lodge a TRT (original or amended) for a prior year as an SBR ebMS3 message containing the ELS tag formatted data.

This document applies to the SBR TRT service for 2024 TRT and the SBR ELStagFormat service for the years 1998-2016. This document is designed to be read in conjunction with the ATO SBR documentation suite including the:

* [ATO Common Business Implementation and Taxpayer Declaration Guide](https://www.sbr.gov.au/sites/default/files/ato_common_business_implementation_and_taxpayer_declaration_guide_v1.1.docx)
* web service/platform information
* test information, for example conformance suites
* message structure tables
* validation rules.

**Note:** [Online Services for DSPs](https://developer.sbr.gov.au/collaborate/pages/viewpage.action?pageId=42991664) provide information as a controlled information resource, made available only to digital service providers for the sole purpose of assisting in the development of tax-related software (both commercial and in-house). In some cases, the information is in draft form or has been made available for the purposes of consultation, proof of concept work and or pilots. You **must** not on-forward controlled information to persons or organisations outside your own organisation.

## 1.2 Glossary

For a glossary of terms, see also:

* [SBR glossary](https://www.sbr.gov.au/digital-service-providers/developer-tools/glossary)
* [ATO definitions](https://www.ato.gov.au/Definitions/?anchor=top)
* [ATO Common Business Implementation and Taxpayer Declaration Guide](https://www.sbr.gov.au/sites/default/files/ato_common_business_implementation_and_taxpayer_declaration_guide_v1.1.docx)

## 1.3 Consolidation of Records

When there are ATO system limitations on the number of records that can be stored for a particular section of the TRT, and a client has more records than the maximum allowed for that section, consolidation of records is recommended.

## 1.4 Changes in 2024 TRT service

Table 1: Label Changes for TRT 2024

|  |  |  |  |
| --- | --- | --- | --- |
| **Label** | **Alias** | **Action** | **Report label** |
| 50P | TRT551 | Del | Are you making a choice to opt out of temporary full expensing for some or all of your eligible assets? |
| 50Q | TRT552 | Del | Number of assets you are opting out for |
| 50R | TRT553 | Del | Value of assets you are opting out for |
| 50S | TRT554 | Del | Temporary full expensing deductions |
| 50T | TRT555 | Del | Number of assets you are claiming for |
| 52B | TRT568 | Del | Small business technology investment boost |
| 52C | TRT576 | Add | Small business energy incentive |
| 58F1 | TRT569 | Add | Share of total gross capital gain – Beneficiary share |
| 58F2 | TRT570 | Add | Share of capital losses applied – Beneficiary share |
| 58F3 | TRT571 | Add | Share of CGT discounts applied – Beneficiary share |
| 58F4 | TRT572 | Add | Share of CGT exemption or rollovers applied – Beneficiary share |

# What are the Trust Tax Return services?

The TRT service is an interaction that supports trustees to meet their income tax reporting obligations. The TRT service allows a trustee to report or amend the income and deductions of the trust, present entitlements of the trust’s beneficiaries and income, to which no beneficiary is presently entitled.

## 2.1 Where SBR fits into TRT lodgment obligations

The TRT service provides numerous functions to support trusts to meet their reporting obligations. These include the lodgment and lodgment amendments of the Trust Tax Return and required schedules.

The pre-lodge and lodge interactions are the core parts of the SBR-enabled TRT business process. Once the trustee or intermediary has gathered all information required, they would then complete, validate and correct any labels (if required) of the return before lodgment. The tax agent could check the status of the lodged TRT at a later date through their BMS.

Table 2: SBR interactions and TRT process

|  |  |
| --- | --- |
| **Initiating party** | **SBR service offering** |
| **Step 1**: Complete Trust Tax Return | * TRT.prelodge * Validate report data (this interaction is optional) |
| **Step 2:** Is submission rejected:  Yes: Revisit step 1 No: Lodge | * TRT.lodge * Lodge the report |
| **Step 3:** View the success message | Not applicable |

## 2.2 Schedules

A TRT lodgment can include a schedule that contains additional information required to assess a trust’s income.

Table 3: Valid schedules

| **Schedule** | **SBR core services** | **SBR ebMS3.0** |
| --- | --- | --- |
| Non-Individual PAYG payment summary schedule | Y | Y |
| Rental property schedule | Y | Y |
| International dealings schedule | Y | Y |
| Interposed entity election or revocation | Y | Y |
| Losses schedule | Y | Y |
| Family trust entity election, revocation or variation | Y | Y |
| Capital Gains Tax (CGT) schedule | Y | Y |
| Attribution Managed Investment Trust (AMIT) schedule | N | Y |
| Trust income schedule | N | Y |

**Note:** For more information on the validation rules and circumstances that determine when a schedule must be used, see the TRT Message Structure Table and Schedule Structure Tables, as well as the TRT validation rules.

## 2.3 Interactions

The TRT lodgment process could consist of the following interactions.

Table 4: Interactions available in the TRT lodgment process

| **Service** | **Interaction** | **Detail** | **Single** | **Batch** | **Optional** |
| --- | --- | --- | --- | --- | --- |
| TRT | TRT.Prelodge | Validate TRT message before lodgment (2024) | Y | Y | Y |
| TRT | TRT.Lodge | Lodge TRT (2024) | Y | Y | N |
| ELStagFormat | ELStagFormat.Lodge | Lodge TRT for prior years as SBR message using ELS tag format | N | Y | Y |

## 2.4 Channels

The TRT interactions available in the following channels.

Table 5: Channel availability of TRT interactions

|  |  |  |
| --- | --- | --- |
| **Interaction** | **SBR core services** | **SBR ebMS3.0** |
| TRT.Prelodge | Y | Y |
| TRT.Lodge | Y | Y |

# Authorisation

## 3.1 Intermediary Relationship

The type of SBR services an intermediary can use on behalf of their clients depends on the activity being undertaken and the relationship type the intermediary has with the client. That is, an intermediary requires the appropriate authorisation for the interaction being performed on behalf of the taxpayer recorded in ATO systems. To use the TRT interactions, an intermediary must be appointed by a business in Access Manager (AM) to use the available services on their behalf.

In relation to the tax agent to taxpayer relationship, system level linkages are a fundamental precondition to interacting with SBR for TRT interactions.

**Note**: If the relationship doesn’t exist, the SBR Add Client Relationship interaction of the Client Update services can be used to establish a relationship between the intermediary and the taxpayer. For further informationsee the[ATO Common Business Implementation and Taxpayer Declaration Guide](https://www.sbr.gov.au/sites/default/files/ato_common_business_implementation_and_taxpayer_declaration_guide_v1.1.docx).

## 3.2 Access and initiating parties

ATO systems will check that the initiating party is allowed to use the interaction that is received through the SBR channel. For more information, see:

* ‘Section 3 – Authorisation’ in the [ATO Common Business Implementation and Taxpayer Declaration Guide](https://www.sbr.gov.au/sites/default/files/ato_common_business_implementation_and_taxpayer_declaration_guide_v1.1.docx) and
* the [ATO website](https://www.ato.gov.au/general/online-services/access-manager/) for more information on Access Manager.

The table below displays the interactions available to each initiating party via SBR for TRT and ELStagFormat.

Table : TRT permissions

| **Service** | **Interaction** | **Activity** | **Tax agent** | **BAS agent** | **Business** | **Business Intermediary** |
| --- | --- | --- | --- | --- | --- | --- |
| TRT | TRT.Prelodge | Validate data inputted into TRT before submitting for processing | Y | N | Y | Y |
| TRT | TRT.Lodge | Lodge TRT for processing | Y | N | Y | Y |
| ELStagFormat | ELStagFormat.  Lodge | Lodge TRT for prior years as an SBR message using ELS tag format | Y | N | N | N |

A user must be assigned the appropriate authorisation permissions to use the TRT service. The table below references the SBR service to the relevant permission in Access Manager.

Table : Access Manager permissions

| **Service** | **Access Manager permission** |
| --- | --- |
| TRT | Trust Tax Return   * Lodge check box |

# Constraints and known issues

## 4.1 Usage restrictions

Digital Service Providers (DSPs) must be aware of the usage restrictions, which are described within the Reasonable Use policy. The ATO actively monitors the use of services and will notify DSPs that contravene this policy. Continued breaches may result in de-whitelisting.

For further information, see the[DSP conditions of use](https://softwaredevelopers.ato.gov.au/usingourservices/dsp-conditions-use)and[Reasonable Use policy](https://softwaredevelopers.ato.gov.au/sites/default/files/2020-06/Reasonable_use_of_ATO_digital_wholesale_services.pdf).

# Taxpayer declarations

When an intermediary lodges an [approved form](https://www.ato.gov.au/forms/consolidated-list-of-approved-forms-by-tax-topic/) on behalf of a taxpayer, the law requires the intermediary to have first received a signed written declaration from that taxpayer.

Developers of SBR-enabled software products may elect to provide a printable version of the taxpayer declaration within their products to assist intermediaries.

**Note**: A taxpayer declaration must be obtained by the intermediary for all lodgment obligations performed on behalf of their client. These declarations apply for both original and newly amended lodgments for the Trust Tax Return. For information see [Client declarations and lodgment online](https://www.ato.gov.au/tax-professionals/prepare-and-lodge/managing-your-lodgment-program/client-declarations-and-lodgment-online/).

## 5.1 Suggested wording

|  |
| --- |
| **Privacy statement**  The ATO is authorised by the *Taxation Administration Act 1953* to request the provision of tax file numbers (TFNs). The ATO will use the TFNs to identify each beneficiaryin our records. It is not an offence not to provide the TFNs. However, lodgments cannot be accepted electronically if the TFN is not quoted.  Taxation law authorises the ATO to collect information and to disclose it to other government agencies. For information about your privacy go to ato.gov.au/privacy  **Declaration**  I declare that:   * All of the information I have provided to the agent for the preparation of this document is true and correct. * I authorise the agent to give this document to the Commissioner of Taxation. |

For further information surrounding taxpayer declarations refer to, ‘Section 6’ of the[ATO Common Business Implementation and Taxpayer Declaration Guide](https://www.sbr.gov.au/sites/default/files/ato_common_business_implementation_and_taxpayer_declaration_guide_v1.1.docx).

# TRT guidance

## 6.1 Prior year TRT lodgment through SBR

For Trust Tax Returns and associated schedules (2008 up to and including 2016) refer to [ATO ELStagformat Business Implementation Guide](https://www.sbr.gov.au/sites/default/files/2021-10/ato_elstagformat.0002_2021_business_implementation_guide.docx).

## 6.2 Using the additional free text field

The TRT message contains a free text field, *Attachment A* (SBR alias: TRT405), to enable appropriate information to be added to a return for assessment.

While validation cannot control what information is provided in the additional field, below is some advice users can follow to ensure returns lodged with the field are processed without unnecessary delays:

* Free text content must be clear, concise and necessary to determine the outcome of the assessment for the return being lodged and must only be used under the correct circumstances. Information entered that doesn’t meet these criteria will cause processing delays.
* Digital Service Providers must consider whether a ‘help’ or informational message concerning use of this field would be beneficial for tax agents.

Below are key examples of:

* where the field needs to be used
* the type of business information that must be included.
* the quality, tone, and language of the information.

Table : Example of helpful free text scenarios

| **Scenario** | **Additional free text field content** |
| --- | --- |
| Trustee who is assessable on behalf of a beneficiary, who is presently entitled but under a legal disability (see section 98 of the ITAA 1936) and the beneficiary is entitled to a tax offset under the Private Health Insurance rebate. | Private Health Insurance tax offset   * trust's name * trust's TFN (Tax File Number) * beneficiary’s name * beneficiary’s TFN * beneficiary’s share of the net income of the trust estate * income of the beneficiary’s spouse, for surcharge purposes (if they had a spouse on 30 June 2024) * all the lines of information separately, as they are displayed on the Private Health Insurance statement.   + ‘Health insurer ID’ at B on the beneficiary’s health insurance statement   + ‘Membership number’ at C on the beneficiary’s health insurance statement   + ‘Your premiums eligible for Australian Government rebate’ at J on the beneficiary’s health insurance statement   + ‘Your Australian Government rebate received’ at K on the beneficiary’s health insurance statement   + ‘Benefit code’ at L on the beneficiary’s health insurance statement   + tax claim code (see Private Health Insurance policy details 2024 in the Individual Tax Return instructions 2024)   + number of beneficiary’s dependent children who are under 21 years old or full-time students under 25 years old. |

For more information, refer to [prevent delays in processing returns](https://www.ato.gov.au/Tax-professionals/Prepare-and-lodge/Tax-Time/Before-you-lodge/Prevent-delays-in-processing-returns/#Providingadditionalinformation).

## 6.3 TFN and ABN algorithm validation

For more information:

* Refer to [How to obtain the tax file number algorithm](https://developer.sbr.gov.au/collaborate/display/DSD/Tax+file+number+%28TFN%29+algorithm), on how to access to the algorithm to validate TFNs in a BMS product.
* Refer to [ABN validation](https://developer.sbr.gov.au/collaborate/display/DSD/Australian+Business+Number+%28ABN%29+algorithm), for ABN algorithm, ABN Lookup Web services, and Super Fund Lookup Web services.

## 6.4 Future years

The functionality to enable lodgment of future year (early lodged) returns is available as part of this service. A future year return is a lodgment by a client or their authorised intermediary prior to the end of the current reporting period. For example, a client lodging their 2023-24 income tax returns before the end of the financial year on 30 June 2024 (or the end of their Substituted Accounting Periods).

For a client or their authorised intermediary to lodge a future year return, the year cannot be greater than one year (Current Year + 1) into the future and certain criteria must be met.

## 6.5 Truncating amounts

Most fields in the TRT require only whole dollars and no cents to be shown. To ensure users of your software products complete TRT correctly, the following examples show how to enter amounts in whole dollar only fields:

**Example 1:** $24.37 would be reported as $24

**Example 2:** $12.89 would be reported as $12

**Example 3:** $6.50 could be reported as $6.

Once truncation has been performed, the truncated amount must be used in any calculation rather than the original amount.

The requirement to truncate amounts is in accordance with section 388-85 of Schedule 1 to the *Taxation Administration Act 1953*.

# Schedules

## 7.1 Trust income schedule

**Ordering of distributing trust identifier**

It is recommended that only one identifier is provided for the distributing trust. Where the distributing trust is:

* A managed fund, complete the identifier in the following order of priority
  + Investor number of the distributing trust (DISTBENTRT42)
  + Australian Business Number of the distributing trust (DISTBENTRT4)
  + Australian Company Number of the distributing trust (DISTBENTRT41)
* A non-managed fund, complete the identifier in the following order of priority
  + Australian Business Number of the distributing trust (DISTBENTRT4)
  + Australian Company Number of the distributing trust (DISTBENTRT41)

**Consolidation of records for the Trust income schedule**

***Trust Distributions (including managed funds)***

For Trust distributions both managed and non-managed, the maximum number of records that can be returned is 150 per taxpayer – including any consolidation records. Where there are more records than the maximum allowed, the remaining records must be consolidated into one or two records.

***Ordering***

There is no requirement to order records for the trust income schedule. However, it is recommended that the records are reported and ordered as follows:

* All distributions recorded from highest value to lowest value.

Where there are more than 150 records in total aggregate as follows:

* If there are only non-managed fund records, record at 150 will be the aggregate of records 150 onwards.
* If there are only managed fund records, record at 150 will be the aggregate of records 150 onwards.
* If there are non-managed fund and managed fund records, record at 149 non-managed funds onwards, and record at 150 managed funds onwards.

The ordering will ensure that as part of the future copy of return service, the individual records with the highest value are presented back to the tax agent when the data is returned. It will also support the accuracy of the ATO’s risk modelling services.

**Note:** This is not a mandatory requirement, and no validation will be implemented to verify this approach.

***Standard description***

A standard description for the consolidated record is to be completed at ‘*Name of distributing trust*’ (DISTBENTRT5) and should be recorded as:

* “**Consolidation - XX non-managed fund records**” (with XX being the number of distributions consolidated into the last record).
* “**Consolidation - XX managed fund records**” (with XX being the number of distributions consolidated into the last record).