

# Betashares Direct

# 2025 Tax Guide

## About this Tax Guide

This Tax Guide has been prepared to assist you in completing your 2025 Australian Tax Return for individuals in relation to the investments held in your account in Betashares Invest, being the IDPS-like scheme (**Scheme**) available through the Betashares Direct platform (**Betashares Invest Account**).

This Tax Guide only contains basic information of a general nature about your investments in this Scheme and does not consider your individual circumstances. Accordingly, you should not rely on this Tax Guide as taxation advice. You should seek independent professional taxation advice when completing your tax return.

This Tax Guide assumes that:

- you are an individual taxpayer;
- you are an Australian tax resident;
- you hold investments through the Scheme for investment purposes (i.e., you hold the investments on capital account rather than on revenue account) and the Australian capital gains tax (**CGT**) rules apply to your investments; and
- you are absolutely entitled to the investments held in your Betashares Invest Account (being units in exchange-traded products or shares in listed companies, including any fractional interests in such investments).

This Tax Guide should be read in conjunction with the Australian Taxation Office's (**ATO**) Tax Guides '*Individual tax return instructions 2025*', '*Individual tax return instructions supplement 2025*' and any other relevant ATO publications (including but not limited to those referred to in this Tax Guide). The information in this Tax Guide has been prepared based on the relevant ATO instructions made available publicly by the ATO as at the date of issue and does not consider any changes to the ATO's publications after the issuance of this Tax Guide.

This Tax Guide relates to the following documents, which have the same formats for all investor types:

- Annual Tax Statement; and
- Capital gain and loss report.

For your tax return preparation, you will need to use a combination of information from the following sources to determine your income, capital gains or losses, and expenses:

- Your Annual Tax Statement provides information about income from managed investment schemes (**MIS**) and dividends received from direct shares held in your Betashares Invest Account. This information is sent to the ATO to pre-fill your tax return.
- Your capital gain and loss report provides information about gains and losses from your trading activities within your Betashares Invest Account. This information is **not** included in your pre-filled tax return.
- Your annual investor statement provides information about the amount of portfolio fees to be included as an expense to be manually input in your tax return. It should be noted that the interest retained on cash balance for the management and administration of such cash will be netted against the gross interest, and only net interest income will be reported in Part A.

In this year's Annual Tax Statement, there is new information provided because Betashares Invest Account have had the following changes:

- Shares in listed companies can now be traded through Betashares Invest Account so dividend income from these shares are required to be reported on the Annual Tax Statement.
- Betashares Invest Accounts can now be held by a trust, self-managed superannuation fund or a private (proprietary) company, in addition to individual investors.
- If you invest through a company or SMSF, or trust structure, there are descriptions of possible tax outcomes included where there are differing tax treatments. The tax outcomes will depend on a range of factors specific to your circumstances. For example: investments through a company structure needs to be assessed on whether gains or losses on disposal of the investments are subject to CGT or not, and this would have tax implications for any cost base adjustments disclosed on the Annual Tax Statement.

## Annual Tax Statement

The Annual Tax Statement available to you through the Betashares Direct platform (**Annual Tax Statement**) is separated into two main parts and contains information that would generally be included in your tax return (including the supplementary section of the return). If you have income from other sources during the year, you will need to consider the information from your Annual Tax Statement in conjunction with the information from your other sources when completing your tax return.

As the income from all investment asset types available through the Scheme are included in your Annual Tax Statement, you should note the following when referring to your Annual Tax Statement:

- The Annual Tax Statement does not include any capital gains or losses arising from the disposals of investments in your Betashares Invest Account. Such information is available in your capital gain and loss report. However, these statements do not include any information on transactions for investments held outside your Betashares Invest Account and you will need to keep separate records of such transactions.
- If you have transferred any investments to your Betashares Invest Account from another account held in your name during the income year, the Annual Tax Statement does not include any income you are entitled to prior to the transfer of such transferred investments. Such income will be reported to you separately by your other account provider or through the relevant registry.
- Distributions from your investments in MIS (that qualify as an Attribution Managed Investment Trust (**AMIT**) from a tax perspective) held in your Betashares Invest Account will need to be included in your tax return in the year of attribution, not the year of receipt. This means that trust distributions for the year ended 30 June 2025, for example, should be included in your 2025 tax return, even though payment for all those trust distributions may not be received until after 30 June 2025. Part B of the Annual Tax Statement provides detailed information about these distributions.
- Net interest income from your Wallet is recognised in the year of receipt.
- The Annual Tax Statement has labels relevant to your entity type. For example: the labels from Trust tax return have been used in Part A for trust account type.

## Investor details

The first section of the Annual Tax Statement contains your personal details (investor number, investor type). Please contact our Customer Support team via in-app chat or email via [support@betashares.com.au](mailto:support@betashares.com.au) if any of the details are incorrect.

## Part A: Summary of 2025 tax return (supplementary section) items

### Partnerships and trusts – Non-Primary Production Income

The Non-Primary Production Income represents your share of the total income (excluding capital gains, franked distributions from trusts, and foreign income) from distributions attributed to you through the Scheme. You should disclose your share of non-primary production net trust income (or loss if any) on your tax return.

### Share of Net Income from Trusts, less Net Capital Gains, Foreign Income and Franked Distributions

This item represents your share of the total income (excluding capital gains, franked distributions, and foreign income). For detailed information about this item, you can refer to the Australian Income section under Part B. You should disclose this amount on your tax return.

### Franked Distribution from Trusts

The Franked Distribution from Trusts amount represents your share of the franked distributions attributed to you, grossed up for franking credits. You should disclose this amount on your tax return.

**Note:** *The above labels do not include interest income earned on your Betashares Invest Cash Account or dividend income from your holding of direct shares. Please refer to the 'Interest' and 'Dividend' section below for more details.*

## Share of Franking Credit from Franked Dividends

The Share of Franking Credit from Franked Dividends amount represents your share of franking credits attributed to you from distributions received throughout the year.

Your ability to claim franking credits is subject to certain rules (such as the 45-day holding period rule). For further details you should refer to the ATO Publication 'You and Your Shares 2025'. We recommend you obtain independent professional taxation advice regarding the availability of tax offsets relating to any available franking credits. If you are entitled to claim an amount of franking credits, you should disclose any allowable franking credits you are entitled to claim as a franking tax offset on your tax return.

### Share of Credit for Tax Amounts Withheld

The Share of Credit for Tax Amounts Withheld is the withholding tax that has been deducted from distributions credited to your Betashares Invest Account because you have not provided your tax file number (TFN) or Australian business number (ABN) or claimed an exemption at the time the distributions are credited to your account. You should disclose this amount on your tax return.

### Net Capital Gains

The Net Capital Gains amount represents your share of capital gains attributed to you from trust distributions. Normally, the Net Capital Gains are a result of trading within a MIS and attributed to investors based on their interest in the MIS. They should be distinguished from the capital gains or losses arising from disposal of your investments. You should disclose your Net Capital Gain on your tax return. You should also separately mark "YES" on your tax return if you have any capital gains amounts.

## Total Current Year Capital Gains

The Total Current Year Capital Gains amount represents your Net Capital Gains amount grossed up for any capital losses and CGT discounts that may have applied. You should disclose this amount on your tax return.

### ***Do you have capital gains from other sources?***

The Net Capital Gain amount and Total Current Year Capital Gains amount noted above do not account for any direct capital gains or losses you incurred upon selling exchange-traded products inside or outside the Scheme during the financial year. You may also have derived capital gains or losses from other sources (e.g., if you have sold units that you held in your Betashares Invest Account or units via another platform or broker). The relevant capital gains or losses would need to be combined with the figures from your Annual Tax Statement and disclosed in the abovementioned labels.

You should refer to the ATO Publication *'Guide to capital gains tax 2025'* or *'Personal investors guide to capital gains tax 2025'* to help you calculate your net capital gain or loss. As the CGT rules are complex, you may also wish to seek independent professional taxation advice.

### ***Are you investing through a company or trust or SMSF account?***

For companies, there would be no CGT discount so the Total Current Year Capital Gains from trust distributions may assist with the calculation of your capital gain to be disclosed on your tax return.

For trusts, the breakdown of capital gains into discounted and other capital gains will assist you with completing the disclosures (e.g. Statement of Distribution) on your tax return.

For SMSFs, the net capital gain (e.g. after the CGT discount) should be recalculated because the CGT discount for SMSF is 1/3 of the capital gains from assets held longer than 12 months.

## Assessable Foreign Source Income

The Assessable Foreign Source Income amount represents your share of foreign source income attributed to you. This amount also includes your share of foreign income tax offsets. You should disclose this amount on your tax return.

If you have any allowable expenses or losses relating to foreign source income, this may be applied to reduce the Assessable Foreign Source Income amount. This net amount should be your Other Net Foreign Source Income and should be inserted in your tax return. As the foreign source income rules are complex, you may wish to seek independent professional taxation advice.

### **Australian franking credits from a New Zealand company**

An amount representing your share of Australian franking credits attached to dividends from a New Zealand franking company should be included as a separate item on your tax return.

## Foreign Income Tax Offsets

Your share of Foreign Income Tax Offsets represents the amount of tax paid in the country where the income was sourced.

The amount also includes the foreign income tax offset relating to foreign capital gains (referred to as Foreign Income Tax Offsets – foreign capital gains (**FITCO**) in the Annual Tax Statement). The FITCO amount arising from foreign capital gains under your Annual Tax Statement is the gross amount. This has not been reduced proportionally for any capital losses or CGT discount applied at the trust level.



You should refer to the ATO Publication *'Guide to foreign income tax offset rules 2025'* for more information and seek independent professional taxation advice to determine an amount that you are entitled to recognise as the Foreign Income Tax Offsets, including the FITCO. If you are entitled to claim an amount of foreign income tax offset, you should disclose this amount on your tax return.

### **Gross interest**

The gross interest amount represents the interest income that has been credited to you based on the balance held in your Betashares Invest Cash Account after deducting the relevant fee. Betashares has reflected this amount net of the interest retained by Betashares on your cash balance. This amount should be inserted on your tax return.

### **TFN amount withheld from gross interest**

The TFN amounts withheld from gross interest represents the withholding tax that has been deducted from gross interest and credited to your Betashares Invest Account because you have not provided your TFN or ABN or claimed an exemption at the time the interest is credited to your account. You must disclose TFN amounts withheld from gross interest on your tax return.

### **Dividends**

Dividends represent the income that has been derived from your direct shares' holding in the Betashares Invest Account. This amount should be inserted on your tax return.

### **Franking Credits**

The franking credits associated with the dividends received from your holding of direct shares. This amount has not been disclosed in any other labels of this Annual tax statement. You should disclose this amount in the relevant label of your tax return.

### **TFN amount withheld from dividends**

The TFN amounts withheld from dividends represent the withholding tax that has been deducted from gross dividends and credited to your Betashares Invest Account because you have not provided your TFN or ABN or claimed an exemption at the time the dividends are credited to your account. You must disclose TFN amounts withheld from gross dividends on your tax return.

## **Part B – Components of a distribution**

Part B of the Annual Tax Statement provides a detailed breakdown of your share of the various components of investment income for the year ended 30 June 2025. This section includes the income distribution from investments in MIS that are available through the Scheme. Even though the investments are made via the Scheme, the income distributions are attributed to you as if you hold the investments in the MIS directly.

Income derived from bank accounts, such as the information under the Gross Interest label, and holding of direct shares, such as Dividends, will not be included in Part B of the Annual Tax Statement.

### **Australian Income**

This section under Part B of the Annual Tax Statement includes unfranked dividends, interest income, and other income attributed to you from trust distribution income received throughout the year. Franked dividends and franking credits attributed to you from trust distribution income received throughout the year are also detailed in this section.

Several tax components relating to non-concessional MIT income (**NCMI**) are also included in the Annual Tax Statement. Broadly, NCMI should only be relevant for investors who are not tax residents of Australia, as it may impact their non-

resident withholding tax rate. You should seek independent professional taxation advice, if you believe you are not an Australian tax resident.

### Capital Gains

This section under Part B of the Annual Tax Statement details your share of capital gains. Australian residents for tax purposes derive a capital gain or loss on the disposal of an asset whether or not the asset is Taxable Australian Property. Some capital gains can be calculated under the CGT discount method. These are capital gains to which the MIS have applied the CGT discount percentage of 50%. The 'other' method capital gains are gains to which the CGT discount method or the indexation method does not apply. It should be noted that investors who are not tax residents of Australia cannot claim the CGT discount.

Capital gains are also divided into those that relate to Taxable Australian Property (**TAP**) or Non-Taxable Australian Property (**NTAP**). This distinction between TAP and NTAP capital gains should only be relevant for investors who are not tax residents of Australia.

Capital gains may also relate to NCMI. Again, this should only be relevant for investors who are not tax residents of Australia.

Disposal of foreign assets may result in foreign tax paid in the foreign jurisdictions. In addition, Australian CGT rules apply on those disposals to calculate the Australian CGT obligations, which may be reduced by foreign tax paid.

The capital gains reported at the following items 'Capital gains discount – Taxable Australian property' and 'Capital gains discount – Non-taxable Australian property' are reduced for capital losses or the application of the CGT discount at the trust level. The 'Foreign tax paid' or FITCO

amounts reported at these items have been proportionately reduced for capital losses but not been reduced for the CGT discount. When calculating your Australian CGT obligations and FITCO, the capital gains discount amount must be grossed up (noting the foreign tax paid is reported as the grossed-up amount). If you are an individual, you are entitled to a CGT discount of 50%.

The Net Capital Gain amount represents the sum of the various types of capital gains attributable to you. The 'CGT concessional amount' represents the discount portion of capital gains calculated under the discount method.

### Foreign Income

This section represents income attributable to you from an overseas source. This may include foreign income attributed to you from MIS distributions throughout the year. Foreign capital gains have been included in the capital gains section.

### Tax offsets

This section of the Annual Tax Statement represents your share of the different tax offsets. This includes franking credits and foreign income tax offsets. There are two main types of foreign income tax offsets on the Statement:

- Foreign income tax offsets – excluding capital gains (**FITO**); and
- Foreign income tax offsets – foreign capital gains (**FITCO**).

You are required to calculate the foreign income tax offset (FITO and FITCO) you are entitled to claim for foreign income attributed or distributed to you, under the rules at Division 770 of the *Income Tax Assessment Act 1997*. You must apply the rules to determine the foreign income tax offset you are entitled to claim in your Australian tax return. It is not correct to merely insert the 'foreign tax paid' amount disclosed at Part B of the Annual Tax

Statement as the foreign income tax offset available in your Australian tax return. If you are unsure about how to calculate your FITO and FITCO, you should seek independent professional taxation advice from a registered tax professional. The FITCO amount arising from foreign capital gains under your Annual Tax Statement is an amount that has been reduced proportionally for any capital losses to the extent that capital losses have been applied to reduce the gross foreign capital gains but is not reduced for the CGT discount applied at the trust level. You should also consider the information provided in respect of Australian CGT obligations and the interaction between the Australian CGT rules and the FITCO calculation.

### **Other non-assessable amounts**

This is a breakdown of other income and expenses included in the distribution from your Betashares investment. Other non-assessable amounts are not immediately assessable for income tax purposes and are therefore not included in your tax return. Each item should be considered separately as they may require an adjustment to the cost base of your unit holding.

#### Net exempt income

This income is exempt from income tax and represents the cash amount of exempt income attributed from MIS. You may need to include the income in your Australian tax return.

#### Net-assessable non-exempt

This amount is attributed to you from each MIS that you invest in through the Scheme. The amount should not be included in your Australian tax return.

#### Tax free amount

This amount is not subject to income tax and attributed to you from a MIS.

### Cost base adjustments

There are components that will require tax cost base of investments in a MIS to be adjusted. Below is a list of those components:

- a. Tax deferred amount
- b. Return of capital
- c. Other non-attributable amount
- d. Cost base decrease amount
- e. Cost base increase amount

Items a. and b. above will have an effect to reduce the cost base of your investments and this reduction will affect the capital gain/loss on disposal of your investment.

Items c., d. and e. above relate to income attribution from an AMIT and are described further below.

- *Other non-attributable amounts*

Other non-attributable amounts are cash distributions and other entitlements from an AMIT that exceed the attribution amount, to the extent they are not already shown in other components. These amounts broadly correspond to amounts that for a non-AMIT are categorised, for example, as tax free (other than those amounts that are included in net exempt income) and tax deferred amounts (including returns of capital) and are reflected in the calculation of the AMIT cost base net amount - excess or shortfall. It does not include other capital gains distributions which are shown at the capital gains section.

- *AMIT Cost Base Adjustments – Net Reduction*

Where your share of taxable income is less than the cash distribution you received in the relevant financial year, the difference is your AMIT Cost Base Adjustments – Net Reduction amount. This amount will decrease both the cost



base and the reduced cost base of your investments in an AMIT.

The decrease in the cost base should be considered upon disposal of the investments when calculating your capital gain/loss. The reduction in the cost base may give rise to a capital gain if there is insufficient cost base to absorb the reduction.

- *AMIT Cost Base Adjustments – Net Increase*

Where your share of taxable income is more than the cash distribution you received in the relevant financial year, the difference is your AMIT Cost Base Adjustments – Net Increase amount. This amount will increase the cost base and the reduced cost base of your investments in a MIS or AMIT. The increase in the cost base should be considered upon disposal of the units when calculating your capital gain or loss.

You should refer to the ATO Publications '*Guide to capital gains tax 2025*' or '*Personal investors guide to capital gains tax 2025*' to help you calculate your net capital gain. As the CGT rules are complex, you may also wish to seek independent professional taxation advice.

*Are you investing through a company or trust or SMSF account?*

For companies, if your Annual Tax Statement has Cost base adjustments, AMIT Cost Base Adjustments or Other non-attributable amounts, Betashares will not process them against the tax cost bases of your investment assets. The treatment is made on an assumption that CGT provision does not apply, and these amounts may be assessable to you. You should seek a tax advice on the appropriate tax treatments.

For trusts and SMSFs, Betashares will process these adjustments against the tax cost bases of your investment assets for future capital gain tax calculations.

## **Part C – Detailed breakdown of components**

Part B of the Annual Tax Statement provides a further detailed breakdown of your share of the various components of your taxable income from MIS, which were aggregated at the Betashares Invest Account level and disclosed in Parts A and B, for the year ended 30 June 2025. This section will break down the key components of your investment income by security and ex-date of distribution.

## **Capital gain and loss report**

The capital gain and loss report (**CGT Statement**) available through Betashares Direct contains information to assist with your tax return preparation. If you have had capital gains and losses from other sources (outside of your Betashares Invest Account) during the year, you will need to consider the information from your CGT Statement in conjunction with the information from your other sources when completing your tax return.

The CGT Statement only includes any capital gains or losses arising from disposals of investments held in your Betashares Invest Account. You should note the following when using your CGT Statement:

- The CGT Statement only includes information relating to transactions in respect of investments held in your Betashares Invest Account and does not provide information about capital gains or losses from other sources (e.g. units traded through other platforms or brokers). Similarly, the statement does not provide information about any capital losses that you carry outside the Scheme.
- Any indirect capital gains as disclosed in the Annual Tax Statement are not included in the information provided in your CGT Statement.
- Betashares applies a capital gain tax discount of 50% at the Scheme level on CGT assets held longer than 12 months.

The **preparation of the CGT Statement is based on the following assumptions:**

- The calculation is performed based on the method statement under the CGT provision.
- The tax cost bases used in Parts A and B included any cost base adjustments for the year. However, for company accounts, no cost base adjustment has been made against the tax cost bases.
- The assets are held on a capital account.

For company accounts, there are considerations on whether the CGT provision would apply or whether assets are held on the revenue account. There should also be no CGT discount available.

For SMSF accounts, the CGT discount of 50% should not apply. Instead, the net capital gain should be calculated using CGT discount of 1/3 for assets held longer than 12 months.

## Part A – CGT Summary

Part A provides a summary of the CGT positions for the income year.

### Total current year capital gains

This section represents the gross amount of gains (before the CGT discount) from all sales of CGT assets through your Betashares Invest Account during the income year. The total amount in this section should be reported in your tax return.

Part C of the CGT Statement provides detailed information about the sales.

### Net capital gain

Under this section, the net capital gain calculation is provided. The net capital gain is determined by offsetting the capital losses against capital gains before applying the CGT discount. The net amount needs to be disclosed in your tax return.

For this calculation, capital losses have been allocated in the following order:

1. Capital gains – other method
2. Capital gains – discount method
3. Capital gains – indexation method
4. Pre-CGT capital gains

The capital gains under the discount method are gross capital gains (i.e. not including any CGT discount).

For any remaining capital gains after the allocation of capital losses, the type of capital gains has been considered before applying the CGT discount.

Where there are prior year capital losses, the capital losses will be applied in order that they incurred. If you have carried forward capital losses, you will need to recalculate the net capital gain for the year considering the carried forward capital losses.

### Net capital losses carried forward

If there are not sufficient capital gains to utilise the capital losses, there will be net capital losses to be carried forward to later

income years. You will need to report this amount in your tax return.

## Part B – CGT Breakdown

This part outlines the relevant information about capital gains and losses in relation to your Betashares Invest Account to assist with the preparation of the CGT schedule. All individual investors are not required to complete the CGT schedule. However, certain entity types (e.g. companies, trusts and SMSFs) with total capital gains or capital losses of more than \$10,000 will need to consider the applicable ATO requirements to complete this schedule.

The information from Part A is used in this Part B and is presented based on the sources of capital gains and losses for the purposes of tax return disclosures. The tax return labels are populated based on CGT asset type as defined by the ATO.

More information about the CGT schedule can be found in the *Capital gains tax schedule and instructions 2025*.

## Part C - CGT details by sale

Under this part, the CGT details by sale report provides you with further details on how the capital gain or loss on each sale during the year was calculated.

The CGT Statement captures capital gain and loss information from the sale of investments held in your Betashares Invest Account during the 2025 income year using the trade date of each sale.

The calculation of the gross capital gains and losses for sale of investments adopts a first-in-first-out (FIFO) methodology. If you wish to adopt a different methodology in calculating these amounts, you will need to recalculate the amounts using the information provided to you as part of your quarterly or annual statements.

The capital gains and losses are presented per investment for each sale trade executed through your Betashares Invest

Account. The CGT Statement provides information to show how the capital gain or loss for each sale is determined and the length of the ownership period. This information is used in Part A to determine the relevant net capital gain or loss position.

It should be noted that while we classify the capital gains into “Other capital gains” and “Discounted capital gains – Grossed up” category, there is no CGT discount applied in this report.

## Part D – Cost base adjustments

This part includes the cost base adjustments as outlined in the Annual Tax Statement for each investment held in your Betashares Invest Account. Betashares processed the cost base adjustments to the tax cost base where possible.

### *Are you investing through a company or trust or SMSF account?*

For company accounts, Betashares does not process the cost base adjustments against the tax cost bases of your investments. The treatment is made on an assumption that the CGT provision does not apply, and these amounts may be assessable to you. You should seek a tax advice on the appropriate tax treatments.

For individual investors, trusts and SMSFs, Betashares processes these adjustments against the tax cost bases of your investment for future capital gain tax calculations.

## Part E: Open Parcel Information

Under this part, the adjusted cost base for each open parcel by investment as at 30 June 2025 is reported to you. This includes the quantity, cost per share or unit and the dollar value of the open parcel's cost base.

## ATO publications

The following ATO Publications may be of help in completing your tax return this year:

- [Individual tax return instructions 2025 including the instructions for the supplementary section;](#)
- [You and your shares 2025;](#)
- [Guide to capital gains tax 2025;](#)
- [Personal investors guide to capital gains tax 2025;](#)
- [Guide to foreign income tax offset rules 2025;](#)
- [Managed investment trusts;](#) and
- [Capital gains tax schedule and instructions 2025](#)

To obtain copies of these publications from the ATO, please go to the ATO website at <https://www.ato.gov.au/>.

## Further information

Further information may be obtained by contacting Customer Support via in-app chat, by phone on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia) from 9:00 am to 5:00 pm (Sydney time), Monday to Friday, or by email at [support@betashares.com.au](mailto:support@betashares.com.au).

Betashares Capital Limited (ABN 78 139 566 868, AFSL 341181) (Betashares), the issuer and responsible entity of the Betashares Invest Fund, being the IDPS-like scheme available through the Betashares Direct platform, has prepared the information in this document.

Betashares is not a tax adviser. This information should not be construed or relied on as tax advice and investors should obtain independent professional tax advice specific to their personal circumstances.