

# A guide to your ASB Investment Funds Tax Certificate

## What does your ASB Investment Funds Tax Certificate tell you?

This guide is to help you understand your ASB Investment Funds Tax Certificate. The example Tax Certificate on the following page highlights the most important information in your actual Tax Certificate.

### How has your tax been calculated?

Each fund is a Portfolio Investment Entity (PIE), which means tax has been calculated using your Prescribed Investor Rate (PIR). Valid PIRs for individuals for the tax year ended 31 March 2018 are shown in the table below:

Low rate	Mid rate	High rate
10.5%	17.5%	28%

A 0% PIR is a valid PIR for companies, unit trusts, charities, or non-profit organisations. A family trust may elect a PIR of 0%, 10.5%, 17.5% or 28%.

\*Some testamentary trusts may be eligible for a PIR of 10.5%. We recommend trustees of testamentary trusts discuss the implications of their trust's holding with a tax adviser. If you want to check whether the PIR shown on your Tax Certificate is correct, you can do so at [asb.co.nz/pir](http://asb.co.nz/pir)

### Do I have to pay tax?

As long as the PIR you provided us for the tax year ended 31 March 2018 was correct, you won't need to pay any additional tax on your investment income. However, if your PIR has changed, or was incorrect between 1 April 2017 and 31 March 2018, you may be required to complete a tax return. If that's the case your Tax Certificate will give you all the information you need, and you can find out more by reading 'What if my PIR was incorrect?'. Note, if the PIR we held for you was 0% (limited circumstances only) you are required to include details of your taxable income and any tax credits from ASB Investment Funds in your tax return and pay tax to Inland Revenue directly. If you used a low rate or mid rate PIR for a family trust, you will need to include this income in the family trust's tax return but you will be allowed a tax credit for the PIE tax shown on your Tax Certificate.

## What if my PIR was incorrect?

If the PIR information we held for you was incorrect between 1 April 2017 and 31 March 2018, you may need to complete a tax return.

- If the PIR we held for you should have been a lower PIR and tax has been deducted at a higher PIR, then tax on your account is final and you don't need to file an income tax return. Unfortunately, although this may mean you have paid too much tax, under current tax rules you cannot claim back any tax.
- If the PIR we held for you should have been higher, you should complete and file a tax return with Inland Revenue and pay any tax payable. Please contact Inland Revenue or your accountant directly about how to do this.

## If your PIR is incorrect, you should change it now

If your PIR was incorrect, you should change it now as it's important that you make sure any future tax calculated on your ASB Investment Funds investment income is correct. If you have access to FastNet Classic, you can update your tax details yourself. Simply log in to FastNet Classic, and go to "Update Tax Details" under the top right drop down menu. Otherwise, you can contact us to update your PIR on 0800 ASB FUNDS (0800 272 386).

## Want to know more?

You can find out more in the ASB Investment Funds Product Disclosure Statement. If you need another copy of this, you can get one by emailing [invest@asb.co.nz](mailto:invest@asb.co.nz). Also, it's important to note that while we can offer general information about tax on your ASB Investment Funds investments, for personal advice you should contact an independent tax adviser.


If you have any other questions at all, just ask at any branch or give us a call on 0800 ASB FUNDS (0800 272 386).

If we don't have your IRD number recorded (you can check the top right corner of your tax certificate) please provide it using FastNet Classic - (use the top right drop down menu), or call 0800 ASB FUNDS (0800 272 386).


## › Example ASB Investment Funds Annual Tax Certificate

1. Your PIR as we had recorded for you as at 31 March 2018. Your PIR is the tax rate at which any taxable income you earn on your investment will be taxed.
2. If more than one PIR is shown, this means you have changed your PIR during the year.
3. This is the income you have earned from your investment that is subject to tax. The taxable income/(loss) stated may not be the same as your returns, as not all return components are necessarily taxable/(deductible).
4. Tax credits represent any tax that has already been deducted from or paid by the source of your taxable income (before it is received by the fund). These tax credits are used to reduce any tax you need to pay on the taxable income from your investment.
5. Tax (deducted)/refunded shows any tax paid or refunded on your taxable income/(loss) during the year, triggered by transactions like withdrawals or switches between funds.
6. This is the amount of tax (payable)/refundable as at 31 March 2018. This amount was (deducted)/refunded (from)/ to your investment on 2 April 2018.
7. This shows the details of the tax that the Manager has either paid to Inland Revenue on your behalf (payable) or claimed from Inland Revenue on your behalf (refundable) to clear the tax on your investment income as at 31 March 2018.

Mr AB Sample  
123 Sample Street  
City Postcode  
Country



**Your account details**  
Account number EFxxx  
Tax rate (Prescribed investor rate (PIR)) xx%  
IRD number xx-xxx-xxx

 **Is your tax rate correct?**  
**Check at [asb.co.nz/PIR](http://asb.co.nz/PIR)**

What if my tax rate was incorrect?

- If it was too high, you have paid too much tax and unfortunately cannot claim a refund.
- If it was too low, you need to complete a tax return and pay any shortfall to Inland Revenue.

You can update your PIR online with FastNet Classic (use the top right drop down menu) or by contacting us.

### ASB Investment Funds Annual Tax Certificate 2018

Hi Mr Sample,  
Here's your ASB Investment Funds Tax Certificate for the period 1 April 2017 to 31 March 2018. It shows a summary of the tax calculated on your account for the period. We will pass on the year's tax information for your account along with any tax deducted from your account to Inland Revenue. If your tax rate was recorded correctly, this certificate is for your information only.

<b>Tax Rate (PIR)</b>	<b>28%</b>
Taxable income/(loss)	\$100
<b>Tax (payable)/refundable before tax credits</b>	<b>(\$28.00)</b>
<b>Tax credits</b>	
Foreign tax credits	\$5.00
Imputation credits	\$0.00
Resident withholding tax	\$0.00
<b>Total tax credits</b>	<b>\$5.00</b>
Tax (payable)/refundable after tax credits	(\$23.00)
Less: tax (deducted)/refunded in the period	\$1.00
<b>Tax (payable)/refundable at 31 March 2018</b>	<b>(\$22.00)</b>
<small>Tax (payable)/refundable is cleared by (cancelling)/issuing units in the funds you invest in equal in value to the tax (payable)/refundable at 31 March 2018.</small>	
<b>Tax (deducted)/refunded (from)/to</b>	<b>Units</b> <b>Amount</b>
Balanced Fund	(18.8018)      (\$22.00)
<b>Total</b>	<b>(\$22.00)</b>

Please see the Tax Certificate sample over the page to help you understand the details.

Your tax certificate shows a summary of tax calculations that occurred daily on your account related to the tax period 1 April 2017 to 31 March 2018. As a result, the annual summary may be subject to accumulated rounding differences. Further information about tax and investment income from ASB Investment Funds can be found in the current Product Disclosure Statement (available at [asb.co.nz](http://asb.co.nz)). The information in this document does not constitute specific tax advice to any person. You should seek independent advice. Neither ASB Group Investments Limited, nor its related companies, directors, officers or employees accept any liability for the use of or reliance on the information in this document.