

INVESTNOW

INVESTOR TAX GUIDE

Updated 31.03.2026

InvestNow does not provide personalised investment or tax advice. This guide does not constitute a warranty or advice. You should seek independent professional expert advice on investments, tax, legal and accounting matters.

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GUIDE INFORMATION

Aim of guide

This guide is intended to provide general information on aspects of New Zealand's tax legislation which are relevant to investors using the InvestNow platform. This guide also explains how to use InvestNow Tax Summary Reports to prepare an income tax return (IR3), if required. This guide is not intended as tax advice for InvestNow customers.

For simplicity, this guide has been prepared in relation to InvestNow investors with individual or joint accounts who are New Zealand tax residents*. We recommend that any customer that is unsure of what information is required in their tax return to seek independent tax advice.

The IRD provides a [guide](#) to completing your tax return. Please note, individual circumstances may differ, and tax situations may change if additional investments are held outside of InvestNow's custody. InvestNow does not provide tax advice, and we recommend seeking professional tax advice to ensure individual tax obligations are met.

Contents

| | |
|---|----|
| Types of funds offered by InvestNow | 3 |
| Foreign Investment Fund (FIF) Rules explained | 5 |
| InvestNow Tax Report | 7 |
| InvestNow Tax Report: IR3 tax return use | 12 |
| Contact us | 14 |

* Different rules may apply to new migrants who are transitional residents for income tax purposes. Therefore, we recommend new residents seek independent tax advice.

TYPES OF INVESTMENT OPTIONS OFFERED BY INVESTNOW

For tax purposes, there are three types of funds available on InvestNow (along with term deposits):

Unlisted multi-rate Portfolio Investment Entities (PIEs)

Most funds available on InvestNow are PIEs, including all funds on the InvestNow KiwiSaver Scheme. When you invest in an unlisted PIE, InvestNow will pay tax on income attributed to you by the PIE during the tax year, at your nominated Prescribed Investor Rate (PIR), less any attributed tax credits. Provided that tax has been deducted at the correct PIR, this is a final tax (note that the situation may differ for trusts or companies). Distributions (dividends) paid by unlisted PIEs are excluded income and do not need to be included in your tax return.

PIE tax is deducted either when you sell units in a PIE fund, or after March 31 each year – if you do not have enough cash in your InvestNow account, we will sell units in your largest holding to cover it. If the amount of PIE tax credits attributed to you is higher than the tax amount, you will receive a PIE tax refund. A PIE Tax Certificate will be made available for you to download from the My Documents page in the InvestNow portal in May.

Our sub-custodian, Adminis Custodial Nominees Ltd, sends details of your PIE attributed income and PIE tax to the IRD each year. You will find this when you log into your myIR portal, under "Adminis Custodial Nominees Limited". If you have both a managed funds and InvestNow KiwiSaver Scheme account, you will see two separate PIE income amounts.

The IRD will use this information to pre-populate your income tax return and will check that tax has been deducted at your correct PIR – if not, the underpayment or overpayment will be included in your income tax summary. For joint accounts where we hold IRD numbers for both members, the IRD will automatically split the income equally between each member. This split can be manually adjusted in myIR.

Listed Portfolio Investment Entities (PIEs)

Listed PIEs on InvestNow are the Exchange Traded Funds (ETFs) offered by Smart. During the year you may have received dividends from these funds. The dividends may include tax credits known as imputation credits, which are credits for NZ tax already paid by the companies the ETF is invested in, to ensure that the income isn't taxed twice. While you are not required to include Listed PIE dividends and related imputation credits in your income tax return, you can include the

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taxable (imputed) portion if you prefer. Including the dividends may be beneficial if your income tax rate is less than 28%, as this will result in excess imputation credits that can be used to reduce the tax payable on your other income.

Australian Unit Trusts (AUTs)

Australian Unit Trusts on InvestNow include select funds offered by Vanguard, Ellerstun, Dexus, and India Avenue. Income from these funds is subject to the Foreign Investment Fund (FIF) rules if you are not a de minimis investor, and the related FIF income must be included in your tax return. If you are a de minimis investor, the distributions you receive from these funds should be included in your tax return.

Term Deposits

Any Resident Withholding Tax (RWT) that is deducted for your term deposit investments will be reported to the IRD. You will only pay RWT when you receive interest from your Term Deposit.

FOREIGN INVESTMENT FUND (FIF) RULES EXPLAINED

De minimis exception from FIF rules

InvestNow has not deducted Resident Withholding Tax (RWT) from any dividend income received from an AUT on the assumption that the FIF rules apply to you as an investor. However, individuals can choose not to apply the FIF rules if the de minimis exception applies. This exception applies if the total cost of your FIF investments did not exceed NZ\$50,000 at any point during the income year. The total cost of your FIF investments represents all your applications and any dividend reinvestment.

If the de minimis exception applies, most investors need to pay tax on the value of the distributions received from their FIF investments. Alternatively, if the de minimis exception applies, you can choose to calculate your income using the FIF rules instead - however, if you elect to do this, you must apply the FIF rules for the next four years.

For joint investors, the cost basis can be split between both parties, so the threshold is effectively NZ\$100,000 if all of your FIF investments are held jointly. In this scenario, the income should be split equally and reported on both of your tax returns.

If the de minimis exception applies and you purchased units in an AUT “for the dominant purpose of disposal” or you have “a share dealing business or the shares are part of a profit-making undertaking or scheme”, the gains from any sales may also be taxable. You can refer to the Inland Revenue fact sheet [IS 24/10 FS 2](#) for more details.

FIF calculations

If you held units in any AUT during the income year, FIF calculations will be included in your Tax Summary Report. There are two calculation methods for which we report information:

- Fair Dividend Rate (FDR) – 5% of the opening market value at the beginning of the income year, plus a quick sale adjustment if you bought and then subsequently sold units in the same fund during the year.
- Comparative Value (CV) – Closing value plus gains, minus opening value plus costs. Gains include dividends, sale proceeds and tax credits. Costs include the cost of buying units, along with foreign income tax paid by you directly on income of the FIF (i.e. this would not ordinarily include withholding taxes).

Individual or joint investors can choose which of these calculation methods to use. We provide both calculations so that you can choose which method is more beneficial for you. You must use the same calculation method for all of your FIF investments. Also, you cannot claim a FIF loss in relation to any of the AUTs held on InvestNow. InvestNow's tax reports convert foreign currency amounts based on the exchange rate as of the day of the transaction. If you use, or have previously used, a different methodology in relation to your FIF investments, we recommend seeking independent tax advice on the approach required.

Foreign tax credits

Australian withholding tax may have been deducted on dividends received from your AUT holdings. You may be able to claim this as a credit against your New Zealand income tax liability; however certain limits apply. The credit available in relation to tax withheld from a specific fund cannot exceed your New Zealand tax liability on that fund for the relevant year – if you did not receive any FIF income from a particular fund, you will not be able to claim the foreign tax credit.

Due to the way New Zealand's income tax legislation operates, it is not possible for InvestNow to determine the total foreign tax credit (if any) available to you without access to information on all of your income and expenses. Therefore, our tax reports specify the total foreign tax withheld.

If you have any questions regarding your ability to claim a foreign tax credit, we recommend you refer to Inland Revenue's "[*Guide to foreign investment funds - IR461*](#)" or contact your tax advisor.

INVESTNOW TAX REPORT

Understanding your InvestNow Tax Report

Your Tax Report is produced as a PDF document. This report will contain all relevant tax information, along with an account summary for the financial year. The report can be downloaded from the 'Documents' page in your InvestNow account.

Taxable Income Summary

| Taxable Income Summary | | | | | | | |
|---|---|--|---|--|--------------------|-------------|---------|
| For the Period: 1 April 2024 – 31 March 2025 | | | | | | | |
| Client Name: Example example Extra Longname | | Investor Type: | | De Minimis Status:* | | | |
| Entity Number: 123456789 | | NZ IRD Number: 888-333-444 | | Interest Withholding Tax Rate: X.XX% | | | |
| Portfolio Number/s: 123456789, 123456789, 123456789, 123456789 | | Resident: | | Prescribed Investor Rate (PIR): X.XX% | | | |
| | | Reporting currency (unless stated): NZD | | | | | |
| Income | | Gross amount | Resident Withholding Tax | Foreign Tax paid | Imputation Credits | Net amount | Section |
| New Zealand | Interest | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Dividends | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Coupons | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Subtotal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Overseas | Interest | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Dividends - exempt from FIF rules | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Coupons - exempt from FIF rules | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Dividends - subject to FIF rules | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| Subtotal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Other income <small>(May need to be included depending on your circumstances)</small> | Gains - realised | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Gains - unrealised | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Fee rebates (portion not included in PIE) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Accrued interest | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| | Fixed income amortisation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |
| Expenses | | | | | | | |
| | Administration fees and charges | 0.00 | | | | | X.X |
| | Bank fees | 0.00 | | | | | X.X |
| | GST | 0.00 | | | | | X.X |
| | Subtotal | 0.00 | | | | | |
| Foreign Investment Income (FIF) | | | | | | | |
| OR | Fair Dividend Rate - Default Method | 0.00 | Note Title: Notes - determine your de minimis status, you need to check your holdings across all institutions you invest in. FIF rules apply to any "Natural Persons" if their global FIF share portfolio costs exceed de minimis status (currently NZ \$50,000 per individual) at any stage during the year. Individuals and certain trusts have the option to use either the Fair Dividend Rate (FDR) or Comparative Value (CV) method for certain investments; whatever is more beneficial to the situation. Under the CV method, if your total portfolio return is negative, your tax obligation will be zero. If you are not a natural person or a trust able to choose between methods, you must use the FDR method where its use is permitted. Where the use of FDR method is not permitted for certain instruments (see Tax Report User Guide), you must use the CV method. In these cases, Foreign Investment losses are not reduced to zero. | | | | |
| | Comparative Value - Optional Method | 0.00 | | | | | |
| | Comparative Value - Compulsory Method | 0.00 | | | | | |

The first page of the report shows the following:

- Your Term Deposit interest income for the year. This is shown under the 'New Zealand Income' section.
- Your FIF income for the year. The dividend and Foreign Tax Credit information from your FIF investments is shown under the 'Overseas Income' section. The FDR and CV calculations are shown in the bottom left under 'Foreign Investment Income (FIF)'

PIE Tax Statement

PIE Tax Statement

For the Period: 1 April 2024 – 31 March 2025



| | | |
|---|--|---|
| Client Name: Example example Extra Longname Entity Number: 123456789 Investor Type: | NZ IRD Number: 888-333-444 Resident: Reporting currency (unless stated): NZD | Interest Withholding Tax Rate: X.XX% Prescribed Investor Rate (PIR): X.XX% |
|---|--|---|

PIE Income for 0% PIR

This section relates to those with a 0% PIR and are not charity and this information is required to be included in your Tax Return

| | PIR | Taxable income | Gross tax payable/(rebate) | Less tax credits | Net tax paid/(rebate) | Section |
|-----------------------|------|----------------|----------------------------|------------------|-----------------------|---------|
| Taxable Income/(loss) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | X.X |

PIE Income for PIR greater than 0%

Please check your Prescribed Investor Rate (PIR) displayed below. If it is correct, you don't have to do anything.

If the PIR shown on the statement is incorrect, please notify us as soon as possible. If you used a PIR lower than your correct rate, you will need to include the income and any tax paid in your income tax return. If you are unsure of which PIR you should be using, please visit the Inland Revenue website (www.ird.govt.nz) and search for PIR, or seek independent advice.

Your tax was paid by either adjusting the number of units in the fund, or by adjusting the proceeds of any redemptions that you have made during the period. Please consult your holdings statement for more details.

| | PIR | Taxable income | Gross tax payable/(rebate) | Less tax credits | Net tax paid/(rebate) |
|-----------------------|------|----------------|----------------------------|------------------|-----------------------|
| Taxable Income/(loss) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Note: The following fees have been deducted from your PIE Taxable income and therefore does not need to be included in your tax return 0.00.

Listed PIE Distributions

| | Gross amount | Imputation credits | Net amount |
|--------------------|--------------|--------------------|------------|
| Dividends received | 0.00 | 0.00 | 0.00 |

This second page shows the following:

- Your multi-rate PIE income under 'PIE Income'
- Your Listed PIE income under 'Listed PIE Distributions' FIF Income

Statement Summary

Statement Summary

For the Period: 1 April 2024 – 31 March 2025



| Total Returns | 01 October 2025 - 31 December 2025 | 12 Months |
|--|------------------------------------|------------------|
| Opening Value | XX,XXX.XX | XX,XXX.XX |
| Plus Movements | | |
| Deposits | | |
| Capital Issued | 0.00 | 0.00 |
| Gains/Losses from Investments | | |
| Equity - Realised | 0.00 | 0.00 |
| Equity - Unrealised | 0.00 | 0.00 |
| Currency | 0.00 | 0.00 |
| Revenue | | |
| Interest Income | 0.00 | 0.00 |
| Fee Rebates | 0.00 | 0.00 |
| Distributions | 0.00 | 0.00 |
| Taxes | | |
| Tax Paid (28.0%) | 0.00 | 0.00 |
| Tax Withheld, RWT | 0.00 | 0.00 |
| Tax Withheld, Foreign Tax Credit | 0.00 | 0.00 |
| Expenses | | |
| Percentage Based expenses | 0.00 | 0.00 |
| Trading Expenses | 0.00 | 0.00 |
| Closing Value as at XX XXX 20XX | XX,XXX.XX | XX,XXX.XX |

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This will show the closing and end valuation of your account for the financial year. It will include deposits, gains/losses from investments, revenue, taxes and expenses across your account.

Income Breakdown

Income Breakdown
For the Period: 1 April 2024 – 31 March 2025



Interest

| Description | Country | Income | RWT | NRWT | AIL | FTC | Imputation | Franking |
|---|---------|-------------------|-----|------|-----|-----|------------|----------|
| Domestic | | 595,673.33 | - | - | - | - | - | - |
| Alphabeta Australia Equity Fund (Term) | | 595,673.33 | - | - | - | - | - | - |
| Offshore | | 59,534.28 | - | - | - | - | - | - |
| Alphabeta Australia Equity Fund (Term) | | 782.84 | - | - | - | - | - | - |
| The Network Company Dividends and Bonus for Equity Fund | | 782.84 | - | - | - | - | - | - |
| The Network Company Dividends and Bonus for Equity Fund | | 215.57 | - | - | - | - | - | - |
| Investment of Dividends and Bonus for Equity Fund | | 215.57 | - | - | - | - | - | - |
| Investment of Dividends and Bonus for Equity Fund | | 0.50 | - | - | - | - | - | - |
| Investment of Dividends and Bonus for Equity Fund | | 0.50 | - | - | - | - | - | - |
| Investment of Dividends and Bonus for Equity Fund | | 58,535.38 | - | - | - | - | - | - |
| Investment of Dividends and Bonus for Equity Fund | | 58,535.38 | - | - | - | - | - | - |

Coupons

| Description | Country | Income | RWT | NRWT | AIL | FTC | Imputation | Franking |
|---|---------|-------------------|-----|------|-----|-----|------------|----------|
| Domestic | | 430,847.94 | - | - | - | - | - | - |
| Alphabeta Australia Equity Fund (Term) | | 306,168.49 | - | - | - | - | - | - |
| The Network Company Dividends and Bonus for Equity Fund | | 306,168.49 | - | - | - | - | - | - |
| The Network Company Dividends and Bonus for Equity Fund | | 306,168.49 | - | - | - | - | - | - |
| Investment of Dividends and Bonus for Equity Fund | | 306,168.49 | - | - | - | - | - | - |

This will break down all interest payments from Term Deposits that have been received from your account.

Summary of Foreign Investment Income

Summary of Foreign Investment Fund Income
For the Period: 1 April 2024 – 31 March 2025



Comparative Value – The Optional Method

Applicable to individuals / Family Trusts only

| Security | Country | Open Value | Aquisitions | Disposals | Gross Income | Close Value | CV Income |
|---|-----------|------------|-------------|-----------|--------------|-------------|-----------------|
| Alphabeta Australia Equity Fund (Term) | Australia | 0,000 | 0,000 | - | - | 00.00 | 00.00 |
| The Network Company Dividends and Bonus for Equity Fund | Australia | 0,000 | 0,000 | 0,000 | 00.00 | - | 00.00 |
| Investment of Dividends and Bonus for Equity Fund | Australia | 0,000 | 0,000 | - | 00.00 | 00.00 | 00.00 |
| Investment of Dividends and Bonus for Equity Fund | Australia | 0,000 | 0,000 | - | - | 00.00 | 00.00 |
| Investment of Dividends and Bonus for Equity Fund | Australia | 0,000 | 0,000 | - | - | 00.00 | 00.00 |
| Total | | | | | | | 0,000.00 |

Summary of Foreign Investment Fund Income
For the Period: 1 April 2024 – 31 March 2025



Fair Dividend Rate (FDR) – The Default Method

| Security | Country | Holdings Open | Peak | Close | Acquisitions Avg Cost | Quick Sale Disposals Total | Vol | Peak Holding Adjustment | Actual Gain | Open Value x 5% | FDR Income |
|------------------------|-----------|---------------|-------|-------|-----------------------|----------------------------|-----|-------------------------|--------------|-----------------|-----------------|
| Australian Equity Fund | Australia | 0,000 | 0,000 | 0,000 | 00.00 | 00.00 | 000 | 00.00 | 00.00 | 00.00 | |
| Australian Equity Fund | Australia | 0,000 | 0,000 | 0,000 | 00.00 | 00.00 | 000 | 00.00 | 00.00 | 00.00 | |
| Australian Equity Fund | Australia | 0,000 | 0,000 | 0,000 | 00.00 | 00.00 | 000 | 00.00 | 00.00 | 00.00 | |
| Australian Equity Fund | Australia | 0,000 | 0,000 | 0,000 | 00.00 | 00.00 | 000 | 00.00 | 00.00 | 00.00 | |
| Australian Equity Fund | Australia | 0,000 | 0,000 | 0,000 | 00.00 | 00.00 | 000 | 00.00 | 00.00 | 00.00 | |
| Total | | | | | | | | 00.00 | 00.00 | 00.00 | 0,000.00 |

This shows workings for the two FIF income calculations (FDR and CV) for each of the AUT funds that you invest in. You can refer to this page if you need to check how much FIF income comes from a particular fund.

Summary of Foreign Investment Fund Activity

Summary of Foreign Investment Fund Activity
For the Period: 1 April 2024 – 31 March 2025



Investment Fund 1

12345 - Portfolio

| Date | Journal | Action | Description | Qty | Currency | Amount | FX Rate | NZD Amount |
|--------------------|----------|--------------|------------------------|--------|----------|----------------|---------|--------------|
| 31 Mar 2024 | | | Opening Values | - | | | | - |
| XX Feb 2025 | 23756772 | Equity Trade | Australian Equity Fund | 16,100 | | 1,954,114.96 | 4.4752 | 436,649.34 |
| XX Feb 2025 | 23756772 | Equity Trade | Australian Equity Fund | - | | 4,074.33 | 4.4753 | 910.41 |
| XX Mar 2025 | 23756772 | Equity Trade | Australian Equity Fund | - | | 4,387.92 | 4.4365 | 989.04 |
| XX Mar 2025 | 23756772 | Equity Trade | Australian Equity Fund | 16,100 | | (2,104,519.55) | 4.4365 | (474,359.48) |
| 31 Mar 2025 | | | Closing Values | - | | | | - |

Investment Fund 2

12345 - Portfolio

| Date | Journal | Action | Description | Qty | Currency | Amount | FX Rate | NZD Amount |
|--------------------|----------|--------------|------------------------|--------|----------|----------------|---------|--------------|
| 31 Mar 2024 | | | Opening Values | - | | | | - |
| XX Feb 2025 | 23756772 | Equity Trade | Australian Equity Fund | 16,100 | | 1,954,114.96 | 4.4752 | 436,649.34 |
| XX Feb 2025 | 23756772 | Equity Trade | Australian Equity Fund | - | | 4,074.33 | 4.4753 | 910.41 |
| XX Mar 2025 | 23756772 | Equity Trade | Australian Equity Fund | - | | 4,387.92 | 4.4365 | 989.04 |
| XX Mar 2025 | 23756772 | Equity Trade | Australian Equity Fund | 16,100 | | (2,104,519.55) | 4.4365 | (474,359.48) |
| 31 Mar 2025 | | | Closing Values | - | | | | - |

You can use this page if you need more detail about your transactions for a FIF fund or if you want to check the figures used in the FIF calculations. It shows the amounts, prices, dates and applicable FX rate for all of your FIF transactions during the year.

Unrealised/Realised Gains

These two pages will show any unrealised or realised gains across your account during the year.

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Tax Credits

Tax Credits

For the Period: 1 April 2024 – 31 March 2025



Foreign Tax Credit

| Date | Portfolio | Journal | Security | Description | Currency | Value | FX | NZD |
|------------------------|-------------------|----------|--------------------------|--|----------|----------|--------|-------------------|
| Dividends - FIF | | | | | | | | |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| 4 Apr 2024 | 12345 - Portfolio | 99999999 | ASIA PACIFIC EQUITY FUND | Foreign Tax Credit, iShares Floating Rate Bond ETF; Apr dividend accrual payment of 9,854.48 USD | USD | 2,637.53 | 0.5990 | 5,487.37 |
| | | | | | | | | 125,037.25 |

A list of tax credits received from FIF dividends and Listed PIE dividends during the year is shown on this page.

INVESTNOW TAX REPORT: IR3 TAX RETURN USE

Listed PIE Income

You don't have to include listed PIE income in your tax return, but may choose to do so, if you wish. Generally, investors would only elect to include income if their tax rate is less than 28%, as this allows the excess imputation credits to be offset against their other tax liabilities.

Some Listed PIE dividends may include an "excluded amount", which is not taxed. This amount does not need to be included in your tax return and will not appear in your tax report.

If you do want to include the information in your tax return you will need to enter the following in the New Zealand Dividends section:

| Tax Report – PIE Tax Statement Page | IR3 Income – Tax Return |
|---|-----------------------------------|
| Listed PIE Distributions – Gross Amount | Total gross dividends |
| Listed PIE Distributions – Imputation Credits | Total dividend imputation credits |

New Zealand dividends

| | | |
|--|--|--|
| Total gross dividends <input style="width: 90%;" type="text" value="\$0.00"/> | Total dividend RWT/payments for foreign dividends <input style="width: 90%;" type="text" value="\$0.00"/> | Total dividend imputation credits <input style="width: 90%;" type="text" value="\$0.00"/> |
|--|--|--|

Dividends from a partnership, LTC, trust and/or estate

| | |
|------------------------------|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
|------------------------------|--|

FIF – de minimis exception applies

If the de minimis exception applies (i.e. your FIF investments cost less than NZ\$50,000 at all times during the year), you can choose to pay tax on the distributions you received from your AUT holdings, instead of the income calculated under the FIF rules (assuming that you have not applied the FIF rules in any of the four prior years).

You will select "Dividends" as the Income Type and Australia for the Jurisdiction when entering the information in your tax return.

| Tax Report – Taxable Income Summary | IR3 Income – Tax Return |
|--|-------------------------|
| Income- Overseas – Dividends (exempt from FIF rules) – Gross Amount | Gross Amount |
| Income - Overseas – Dividends (exempt from FIF rules) - Foreign Tax Paid | Tax credit* |

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* In some cases, your ability to claim a foreign tax credit may be restricted, and therefore you may not be able to include the full amount in your return. In particular, the credit available in relation to a specific fund cannot exceed your New Zealand tax liability on that fund.

FIF – FIF rules apply

You will select “FIF Income” as the Income Type and Australia for the Jurisdiction. You will select either the FDR or CV calculation

| Tax Report – Taxable Income Summary | IR3 Income – Tax Return |
|--|---|
| Foreign Investment Income – FDR method | Put either figure that you have selected in the Gross Amount section* |
| Foreign Investment Income – CV method | |
| Overseas – Dividends (subject to FIF rules) - Foreign Tax Paid | Tax credit** |

* This figure cannot be less than zero.

** In some cases, your ability to claim a foreign tax credit may be restricted, and therefore you may not be able to include the full amount in your return. In particular, the credit available in relation to a specific fund cannot exceed your New Zealand tax liability on that fund.

Overseas income

ⓘ The allowable overseas tax credit is calculated automatically based on your total income.

Note:

- The gross income or tax credit amounts must be completed for each line.
- You can not enter multiple rows with the same Jurisdiction and income type.
- If you add or remove income on this step and the previous step, the amount may change.

| Income type * | Jurisdiction * | Gross amount | Tax credit | Allowable overseas tax credit |
|---------------|----------------|--------------|------------|-------------------------------|
| Required | Required | \$0.00 | \$0.00 | \$0.00 |

[+ Add a record](#)

Total overseas income Total overseas tax paid

\$0.00 \$0.00

Term Deposits

Any Resident Withholding Tax (RWT) that is deducted for your term deposit investments will be reported to the IRD. You will only pay RWT when you receive interest from your Term Deposit. If you do need to manually enter in any figures, below you can enter this information in the “Interest Income” section of your tax return.

| Tax Report – Taxable Income Summary | IR3 Income – Tax Return |
|---|------------------------------|
| Income - New Zealand – Coupons – Gross Amount | Total gross interest section |
| Income - New Zealand – Coupons – Resident Withholding Tax | Total RWT section |

CONTACT US

If you're still unsure about your tax obligations or how to complete your IR3 tax return form, give us a call and we can point you in the right direction. Alternatively, it is recommended that you seek independent tax advice.

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