PREPARATION OF DEATH RETURN



agenda

- Introduction
- Final tax return/Date of death tax return
- Trust tax return
- Probate
- Sample of closure documents
- Tax rates

Introduction

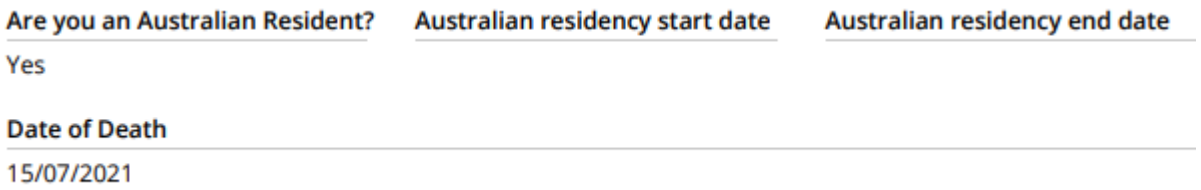
Who is deceased person?

A person who have died recently.

For a deceased person we should file a tax return. That return is called as Final tax return/Date of Death tax return.

The final tax return covers the income year in which the person died, up to the date of death.

Ex:



Trust tax returns are used to:

- Report the income of the estate after the person's death(from 16/07/2021), such as rental income or share dividends
- Claim any tax refund or franking credits owed to the estate
- Trust tax returns may need to be lodged each year until the estate is finalised.

Final tax return/Date of death tax return:

MRS MARY VIRGONA
115 KIA ORA LANE
KANGALOON NSW 2576

HIN WITHHELD

Share Class	Ordinary
Record Date	11 May 2021
Payment Date	1 July 2021
TFN/ABN	Quoted

Payment in Australian dollars

DIVIDEND ADVICE

The details of your **Interim Dividend** of A$0.70 per share for the half year ended 31 March 2021 are set out below.

NUMBER OF SHARES	FRANKED AMOUNT	UNFRANKED AMOUNT	NET AMOUNT	FRANKING CREDIT
1,560	A$1,092.00	A$0.00	A$1,092.00	A$468.00

MRS MARY VIRGONA
115 KIA ORA LANE
KANGALOON NSW 2576

Payment date:	2 July 2021
Record date:	18 May 2021
SRN/HIN:	X********9056
TFN/ABN Status:	Quoted

Dear Shareholder,

This dividend statement is for your Macquarie Group Limited final ordinary dividend for the year ended 31 March 2021.

This dividend is franked at 40% at the Australian corporate tax rate of 30%. Macquarie Group Limited declares the whole of the unfranked amount to be conduit foreign income.

Description	Dividend Rate per share $	Shares Held	Unfranked Amount $	Franked Amount $	Gross Amount $	Franking Credits $
Ordinary Shares	3.35	450	904.50	603.00	1,507.50	258.43

Payment Detail

NATIONAL AUSTRALIA BANK LIMITED

Est Mrs Mary Virgona Decd X******9056

Summary

Class	ORDINARY FULLY PAID SHARES
Payment date	2/07/2021
Record date	14/05/2021
Payment type	Dividend
Payment rate	$0.60
Securities on record date	1500
Payment method	Direct Credit
Payment reference	01177047
Gross amount	$900.00
Total taxes	$0.00
Net amount	$900.00

Taxes and Fees

Franked Amount	$900.00
Unfranked Amount	$0.00
Franking Credit	$385.71

Here, the above attached income received on 01/07/2021 so considering this in the date of death return
instead of trust tax return as because she/he has received the income before her/his death (15/07/2021).

As above scenario, tax liability for the 15 days reported taxable income (01/07/2021 – 15/07/2021) should compute with the individual tax slab.

In XPM select YES for Final tax return while lodging the tax return (if the person has died) during the FY, then have to update the Date of the death.



TRUST TAX RETURN

- Who can lodge a trust tax return?

The authorised legal personal representative (LPR) lodges trust tax returns for the deceased estate.

- You will need a trust TFN if you need to lodge a trust tax return for the estate. If the deceased estate is running a business, you will also need an Australian business number (ABN)
- You need to include all income the deceased estate has earned since the date of death, including:

capital gains on the sale or transfer of assets, if this was not done as part of the will or the rules of succession

super lump sums or employment termination payments

- If an asset passes to a beneficiary of the estate (for example, under the will or rules of succession):

you do not include the capital gain or loss in the trust tax return

if the beneficiary is a foreign resident, you report the capital gain or loss in the deceased's date of death tax return

Probate

This is a legal document which gives you the authority to share out the estate of the person who has died according to the instructions in the will.

It includes,

- ✓ Court details
- ✓ Deceased details
- ✓ Probate details
- ✓ Declaration
- ✓ Property details

PROBATE

COURT DETAILS

Court	Supreme Court of New South Wales
Division	Equity
List	Probate
Registry	Sydney
Case number	2021/00230347

DECEASED'S DETAILS

Estate of:	**MARY MARGARET VIRGONA**
Late of:	57-63 St Pauls Street, Randwick, NSW 2031
Occupation:	Medical Receptionist
Date of death:	15 July 2021
Date of Will:	Undated but believed to be executed on 20 July 2006

PROBATE DETAILS

Granted to:	**ANGELO JOHN VIRGONA** of 34 Railway Parade, Bowral NSW 2576 and **JENNIFER LOUISE VIRGONA** of 24 Morrison Avenue, Coledale NSW 2515
Basis of grant:	Probate of Will. Substituted executors appointed under the Will. Benito Virgona, the instituted executor, having predeceased the testator.

The attached inventory lists property disclosed to the Court under s.81A of the Probate and Administration Act 1898. It is issued by the Court under s.91 (2) of that Act.

SEAL AND SIGNATURE

THIS IS THE LAST WILL AND TESTAMENT of me, **MARY MARGARET VIRGONA** of 37 Coldstream Street, Coogee in the State of New South Wales, Retired.

I REVOKE all former Wills and Testamentary Dispositions made by me and **I DECLARE** this to be my last Will and Testament.

I APPOINT my husband **BENITO VIRGONA** to be the sole Executor and Trustee of this my Will and **I GIVE** the whole of my real and personal estate of whatsoever kind and nature and wheresoever situate to him absolutely.

If my husband does not survive me then **I APPOINT** my daughter **JENNIFER LOUISE VIRGONA** and my son **ANGELO JOHN VIRGONA** to be the joint Executrix and Excecutor and joint Trustees of this my Will.

If my husband should predecease me, I give and bequeath the residue of my estate both real and personal to my Trustee **UPON TRUST** to sell call in and convert the same into money and after payment of all my just debts funeral and testamentary expenses to divide the residue between such of my children **JENNIFER LOUISE VIRGONA, ANGELO JOHN VIRGONA, JAMES MICHAEL VIRGONA, PHILIP ANDREW VIRGONA, NICHOLAS JOSEPH VIRGONA** and **AMANDA MARGARET VIRGONA** as shall survive me as tenants in common in equal shares.

Should ANY OF MY CHILDREN die before attaining a vested interest leaving a child or children then that child or children upon attaining the age of 18 years shall take equally the share which his/her/their parent would have otherwise taken.

INVENTORY OF PROPERTY

The estate of MARY MARGARET VIRGONA
Late of: 57-63 St Pauls Street, Randwick 2031 in the State of New South Wales

Property owned solely by deceased

Description	Estimated or known value
Refundable Accommodation Deposit	
St Basil's Aged Care Facility, NSW Refundable Accommodation Deposit	$880,648.59
Financial Institutions	
CBA NetBank Saver Account 11300349	$0.04
CBA Pensioner Security 28036169	$63,468.27
Me Bank Online Savings Account 000460363	$119,053.18
Me Bank Everyday Transaction Account 017032261	$39,767.37
Investments	
MLC MasterKey Investment Account 30852710	$318,477.99
Shares	
1,560 ANZ shares @ $27.49 per share	$42,884.40
560 CBA shares @ $98.31 per share	$55,053.60
555 Coles Group shares @ $17.00 per share	$9,435.00
450 Macquarie Group shares @ 153.71 per share	$69,169.50
1,500 NAB shares @ $26.02 per share	$39,030.00
10,300 Shopping Centres Australasia Property Group shares @ $2.45 per share	$25,235.00
1,719 Suncorp Group shares @ $11.39 per share	$19,579.41
1,425 Westpac shares @ $ 24.99 per shares	$35,610.75
555 Wesfarmers shares @ $58.61 per shares	$32,528.55
Loan	
Loan to Angelo John Virgona	$60,000.00
TOTAL:	$1,809,941.65

SEAL OF THE SUPREME COURT

Tax File Number (TFN)



Australian Government
Australian Taxation Office

THE TRUSTEE FOR ESTATE OF THE LATE
MARY MARGARET VIRGONA
SE 501 8 HELP ST
CHATSWOOD NSW 2067

Our reference: 7131768013581

5 August 2022

Your tax file number

Dear Sir/Madam

The details of your tax file number registration are:

Name: THE TRUSTEE FOR ESTATE OF THE LATE MARY MARGARET VIRGONA

Tax file number: **445 431 715**

It's important to keep this letter and any other document with your tax file number on it, in a safe place.

You should quote this tax file number when contacting us as it will help us find your information faster.

You will be asked to provide your tax file number to financial institutions and investment bodies when you open accounts or make investments with them. You don't have to give your tax file number to these organisations, but if you don't, they may withhold more tax from any investment returns or interest they pay to you.

For more information
You can find out more on our website **www.ato.gov.au/tfn**

For information about your rights and obligations, go to **www.ato.gov.au/taxpayerscharter**

Yours faithfully

Melinda Smith
Deputy Commissioner of Taxation

Closure documents

Dear Estate of Deceased

MLC MasterKey Investment Service Fundamentals - Account Number: 30852710
Closure of Account

We can confirm that your MLC MasterKey Investment Service Fundamentals account is closed effective 25/02/2022.

The sale of your investment(s) is outlined below:

Investment Fund	Units Sold	Unit Sale Price	Effective Date of Sale	Value
MLC Cash Fund	-	-	25/02/2022	$18,036.36
WSale Horizon 3 - Conservative Growth Portfolio	255,356.656800	$1.153164	25/02/2022	$294,468.10

Total investment Sale Value:	$312,504.46
Admin Fee Tier-Final	$32.81
Total of Payment:	$312,471.65

Payment was transferred to your bank account(s) as per your instructions:

BSB	Bank Account Number
082968	837945065

Commonwealth Bank

Commonwealth Bank of Australia
ABN 48 123 123 124 AFSL 234945
Australian credit licence 234945

PO Box 334
Silverwater NSW 2128
Australia

FreeCall 1800 686 153
Facsimile 1300 784 293
DX 1020 Sydney (2388 001)

ELRINGTONS LAWYERS
PO BOX 379
QUEANBEYAN NSW 2620

25/02/2022

Our ref: 489250136
Your ref: KEC:AZB:215017

Dear Sir/Madam,

We've closed the accounts for Mary Virgona

Thank you for contacting us about closing the accounts for Mrs Virgona. We've closed the following accounts, according to your instructions.

Closed accounts

Account type	BSB and account number	Closing Balance
NetBank Saver	062230 11300349	$0.04cr
Pensioner Security Account	062230 28036169	$62,439.31cr
Commonwealth Direct Investment Account	067167 20718698	$0.00cr

What you need to know

The closing balance for each account includes the following, as applicable:

- Accrued interest up to the date of closure, minus all government and bank charges.
- Reimbursement for any bank fees charged since the date of death for accounts held solely by Mary. Fee refunds may have tax implications, so please talk to your tax adviser.

How the money has been paid

Payee	Payment method	Reference	Amount
Elringtons Lawyers	Bank Cheque - 871042	NA	$62,439.35cr

Tax rate – deceased estate

First 3 income years:
When you lodge your first trust tax return for the deceased estate, you can apply for a concessional rate of tax.

- The concessional rate is the same as the individual income tax rates, with the benefit of the full tax-free threshold.
- The concessional rate will apply for the first 3 income years of the deceased estate, unless there are material changes to the estate's circumstances.
- Deceased estates do not get the benefit of tax offsets (concessional rebates), such as the low-income tax offset. No Medicare levy is payable.

Example:
Alexa passed away on 15th July 2021.
The 1st income year for Alexa's deceased estate is 16 April 2021 to 30 June 2022.
The 2nd income year is 1 July 2022 to 30 June 2023.
The 3rd income year is 1 July 2023 to 30 June 2024.
If Alexa's deceased estate taxable income of $18200 or less during 3 years, there is no tax payable.

Fourth income year and later:

Tax rates 2020-21 to 2022-23

Deceased estate taxable income	Tax rates
$0 - $416	Nil
$417 - $670	50% of the excess over $416
$671 - $45,000	$127.30 plus 19% of the excess over $670 If the deceased estate taxable income exceeds $670, the entire amount from $0 will be taxed at the rate of 19%
$45,001 - $120,000	$8,550 plus 32.5 cents for each $1 over $45,000
$120,001 - $180,000	$32,925 plus 37 cents for each $1 over $120,000
$180,001 and over	$55,125 plus 45 cents for each $1 over $180,000



THE END