

# Senate Standing Committee on Economics

## ANSWERS TO QUESTIONS ON NOTICE

### Treasury Portfolio

Budget Estimates 2012

30 May 2012

**QUESTION: BET 8**

**Topic: Trusts – value in discretionary trusts (ATO)**

**Hansard Page: 91**

**Senator CAMERON asked:**

**Senator CAMERON:** I will come back to that trading vehicle. Could you tell us what the total value of assets held in fixed and discretionary trusts are, excluding deceased estates and unit trusts, and what proportion of these assets are held in trading trusts? You could take that on notice.

**Mr Quigley:** We would need to take that on notice.

**Answer:**

The total value of assets held in fixed and discretionary trusts for the 2009-10 income year excluding deceased estates and unit trusts, is approximately \$504,170 million.

The proportion of this total of assets held by trusts that have identified themselves as having their main source of income from trading is approximately 36%. However, the proportion of the \$504,170 million of assets used for trading activities could be up to 60%. That is, 60% of these assets are estimated to be held in trusts that had reported business income or an expense amount in their 2009-10 trust tax return – this is another indicator of trading activity.

A detailed breakdown is contained in the table below.

<b>Total assets of fixed and discretionary trusts</b>	<b>2009-10 \$m</b>	<b>Proportion %</b>
Discretionary trust – main source from investment	271,780	54
Discretionary trust – main source from service-management	21,130	4
Discretionary trust – main source from trading	183,240	36
Other fixed trust	28,020	6
<b>Total</b>	<b>504,170</b>	<b>100</b>

- Trustees self assess the type of trust by selecting from a range of 'trust codes' in the trust tax return.
- Other fixed trust was derived from the trust code 'F' label in the trust tax return which contains fixed trust, other than a fixed unit trust or public unit trust.
- Data is rounded to the nearest \$10 million.
- Proportions are rounded to the nearest per cent.
- Data extracted as at 25 July 2012.