

## **Discretionary Trust Income Resolution Template & Instructions**

We enclose a trustee resolution template to enable you to comply with new ATO regulations governing discretionary trust distributions.

In essence it means that unless you make a resolution by 30 June, the ATO may be able to tax all the default beneficiaries, or the trustee at 45% of the trust income.

We have attached below two templates, one for Individual Trustee's and one for Corporate Trustee's. These are just suggested templates, there is no only correct template the ATO accepts.

To complete the minute or resolution, please;

1. Print the relevant Template
2. Hold the meeting with a quorum
3. Complete the relevant sections
4. Sign the Bottom
5. Keep with your EOFY documents

### **Options for Distributions**

1. **Percentage Based**
2. **Fixed Amount Based**
3. **Event Based**
4. **Mixture**

You may have the flexibility to make the declaration of intent to distribute income using one of the above options. Please read your Trust Deed or consult your lawyer if you are unsure.

Note: Should the Trust be audited and your resolution is not flexible enough for any ATO adjustments, then the Trust may be taxed at the top marginal rate. So it is suggested that you word your resolution that it is noT fixed. Please refer to a sample resolution below as guidance only.

Please contact us should you require further information or would like to make an Appointment.

Assisting you to a strategic wealth,



**Complete Accounting Group Pty Ltd**

**SAMPLE Corporate Trustee Resolution**  
Minutes of meeting of Directors of the Trustee Company

DIAMONDS PTY LTD

ACN 111 000 111

As trustee of the

DIAMOND FAMILY TRUST

Date: 30/6/2018 (Prior to 30<sup>th</sup> June)

Place: SYDNEY

Present: JOHN DIAMON & SAMANTHA DIAMOND

Chair: JOHN DIAMOND

Quorum: The Chair informed the meeting that a quorum was present.

Trust Deed: The Chair noted that the Company acts as trustee of the Trust established by deed dated 1/5/2015 (the Trust Deed).

**Distribution:**

The Trustee resolved that the income, if any, as determined by the trustees, be distributed as follows:  
*(Full Name and Particulars of Distribution – Fixed Amount, Percentage of Profit, Profit of Event or Mixture)*

1. JOHN DIAMOND TO RECEIVE 40% OF ORDINARY TRUST INCOME.
2. SAMANTHA DIAMOND TO RECEIVE ALL CAPITAL GAINS AND PROCEEDS FOR THE SALE OF THE INVESTMENT PROPERTY LOCATED AT DARLING PARK NSW.
3. MICHAEL DIAMOND TO RECEIVE 60% OF ORDINARY TRUST INCOME.
4. SAMANTHA DIAMOND TO RECEIVE ANY OTHER RESIDUAL TRUST INCOME (if any).

**Resolved**

The meeting considered the Chair's proposals and resolved in favour of them. The Chair instructed the Secretary to do all things as were necessary to give effect to the resolutions passed at the meeting.

**Closure**

There being no further business the Chair declared the meeting closed.

Signed as a true and correct record.



Chair Signed

30/6/2018

Date

# Corporate Trustee Resolution

Minutes of meeting of Directors of the Trustee Company

\_\_\_\_\_ PTY LTD

ACN \_\_\_\_\_

As trustee of the

\_\_\_\_\_ TRUST

Date: \_\_\_\_\_ (Prior to 30<sup>th</sup> June)

Place: \_\_\_\_\_

Present: \_\_\_\_\_

Chair: \_\_\_\_\_

Quorum: The Chair informed the meeting that a quorum was present.

Trust Deed: The Chair noted that the Company acts as trustee of the Trust established by deed dated \_\_\_\_\_ (the Trust Deed).

## Distribution:

The Trustee resolved that the income, if any, as determined by the trustees, be distributed as follows:  
*(Full Name and Particulars of Distribution – Fixed Amount, Percentage of Profit, Profit of Event or Mixture)*

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_

## Resolved

The meeting considered the Chair's proposals and resolved in favour of them. The Chair instructed the Secretary to do all things as were necessary to give effect to the resolutions passed at the meeting.

## Closure

There being no further business the Chair declared the meeting closed.

Signed as a true and correct record.

\_\_\_\_\_  
Chair Signed

\_\_\_\_\_  
Date

**Individual Trustee Resolution**  
Minutes of meeting of Individual Trustee

\_\_\_\_\_  
*(Individual Trustee Names)*

As trustee/s of the

\_\_\_\_\_  
TRUST

Date: \_\_\_\_\_ (Prior to 30<sup>th</sup> June)

Place: \_\_\_\_\_

Present: \_\_\_\_\_

Chair: \_\_\_\_\_

Quorum: The Chair informed the meeting that a quorum was present.

Trust Deed: The Chair noted that the above named acts as trustee/s of the Trust established by deed dated \_\_\_\_\_ (the Trust Deed).

**Distribution:**

The Trustee resolved that the income, if any, as determined by the trustees, be distributed as follows:  
*(Full Name and Particulars of Distribution – Fixed Amount, Percentage of Profit, Profit of Event or Mixture)*

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_

**Resolved**

The meeting considered the Chair's proposals and resolved in favour of them. The Chair instructed the Secretary to do all things as were necessary to give effect to the resolutions passed at the meeting.

**Closure**

There being no further business the Chair declared the meeting closed.

Signed as a true and correct record.

\_\_\_\_\_  
Chair Signed

\_\_\_\_\_  
Date