

# Farm Management Deposit Account Application Form

Variable rate (retain form at branch)
  12 months
  24 months

Interest Rate

Rate start date




Account Number

Date



I apply to the Bank to deposit funds into a Farm Management Deposit Account in the name of:

Account Owner's Name

Date of Birth



Account Owner's Address (No PO Box Allowed)

Account Owner's Phone Number

at the

branch of the Bank

Branch Telephone Number

the amount of



(If the Account Owner makes the deposit and has not nominated an account previously, they must nominate the bank account to which the Bank may credit interest and debit fees and charges in relation to the Farm Management Deposit Account).

In accordance with the Terms and Conditions applying to the Farm Management Deposit Account, I authorise the Bank to credit any interest or debit any charges to the account nominated below ("the nominated account"):

Account Name	Branch	Account Type	Account Number

Please provide a brief description below of the major commodity/commodities produced by the Account Owner in the financial year of this deposit.

## Authorisation

### Authorised deposit-taking institution

This application form is issued by St. George, a division of Westpac Banking Corporation ABN 33 007 457 141 (the Bank), which is an authorised deposit-taking institution for the purposes of the *Banking Act 1959*.

### Purpose of farm management deposits scheme

The farm management deposits scheme is designed to allow individuals carrying on a primary production business in Australia to shift before-tax income from years when they need it least to years when it is most needed. The scheme helps those individuals to manage their exposure to adverse economic events and seasonal fluctuations.

Eligibility criteria apply to individuals carrying on a primary production business in Australia under the scheme.

## Authorisation (continued)

### Tax consequences of farm management deposits

The scheme allows individuals carrying on a primary production business in Australia to deduct the amount of any farm management deposit (FMD) they own from their assessable income for the income year in which the deposit is made. However, the amount of the deductions cannot exceed the owner's taxable primary production income for the income year.

Under the Pay As You Go system, owners may reduce their instalment income for an instalment period by the amount of farm management deposits made during that period. The reduction is limited to the amount that the owners can reasonably expect to deduct for the deposit for the income year in which the deposit is made. However, the instalment income for the period cannot be reduced below nil.

When a farm management deposit is repaid to an owner in an instalment period, the instalment income of the period will include the amount of the repayment. But the owner's instalment income will only include so much of the repayment as will be included in the owner's assessable income for the income year in which the repayment is made.

If neither the owner's tax file number nor Australian Business Number has been quoted to the FMD provider that holds the deposit, the amount repaid will also be subject to withholding at a rate equal to the sum of the top marginal tax rate and the Medicare levy.

### Important requirements for farm management deposits

Some of the requirements for farm management deposits are summarised below. There are also other requirements set out in the *Income Tax Assessment Act 1997*. A breach of some of the requirements will result in the deposit not being treated as a farm management deposit, and the tax benefits will be lost.

- The owner must be an individual who is carrying on a primary production business in Australia when the deposit is made.
- The deposit must be made by only one individual and on behalf of only one individual.
- Rights of the depositor are not, and must not be, transferable to another entity.
- The deposit must not be used as security for any amount owed to the FMD provider or any other entity by the depositor or any other entity.
- Interest or other earnings on the deposit must not be invested as a farm management deposit with the FMD provider without having first been paid to the depositor.
- If the depositor requests in writing, the FMD provider must electronically transfer the deposit, to another FMD provider that agrees to accept it as a farm management deposit. This transfer request will be subject to a 31 day notice period except for reasons of hardship.
- The FMD provider must not deduct any fees from the principal of a farm management deposit. However, it may charge fees on the deposit.

### Repayment of farm management deposits

The tax benefits are not retained for deposit amounts repaid within the first 12 months after the deposit was made, unless the repayment is made:

- (a) because the owner:
- (i) dies; or
  - (ii) becomes bankrupt; or
  - (iii) ceases to carry on a primary production business in Australia and does not start carrying on such a business again within 120 days; or
  - (iv) has requested the deposit, or part of the deposit, to be transferred to another FMD provider; or
- (b) because the circumstances specified in regulation 7 of the Income Tax (Farm Management Deposits) Regulations 1998, relating to repayment in the event of a natural disaster, exist; or
- (c) because the eligible primary production business related to the deposit is affected by a severe drought in accordance with section 393-40(3) of the *Income Tax Assessment Act 1997* (Cth).

### Additional information

- The minimum deposit is \$1,000 and the maximum deposit is \$800,000.
- An individual can own more than one farm management deposit, and can own farm management deposits with different FMD providers, but the sum of the balances of all of the farm management deposits of an owner must not be more than \$800,000.
- The amount of any repayment of the deposit must be at least \$1,000, except where the entire amount of the deposit is repaid.
- The taxable non-primary production income for the year of income must not exceed \$100,000.
- If the depositor has provided neither the depositor's tax file number nor the depositor's Australian Business Number, any repayment will be subject to the withholding rate, which is the sum of:
  - (a) the top marginal tax rate for the income year in the year of deposit; and
  - (b) the Medicare levy.

## Tax File Number

You are not obliged to provide us with your Tax File Number (TFN). However, if you do not provide us with your TFN we are required to deduct tax from your distribution at the highest marginal rate to meet Australian Taxation Office (ATO) requirements, unless you claim an exemption or provide your ABN. Please contact the ATO for more information about your TFN and its use.

Any details you do provide us (including your TFN) that are personal information will be collected, used and disclosed in accordance with our Privacy Statement (in particular please see Section 11 as regards TFNs) which is available at [stgeorge.com.au/privacy/privacy-statement](http://stgeorge.com.au/privacy/privacy-statement) or by calling us on 13 33 30.

Quotation of Account Owner's Tax File Number or Australian Business Number.

The Account Owner may quote their tax file number or Australian business number.

It is not an offence to decline to quote a tax file number, but tax may be taken out of principal and interest if you do not quote your tax file number, Australian business number or exemption. The Bank is authorised to receive tax file numbers under the *Income Tax Assessment Act 1936* for the purpose of providing investment income reports to the Australian Taxation Office under taxation laws.

## Privacy Statement and Consent Request

### Privacy Statement

All personal information and credit-related information we collect about you is collected, used and disclosed by us in accordance with our Privacy Statement which is available at [stgeorge.com.au/privacy/privacy-statement](http://stgeorge.com.au/privacy/privacy-statement) or by calling us on 13 33 30. Our Privacy Statement also provides information about how you can access and correct your personal information, and make a complaint. You do not have to provide us with any personal information or credit information but, if you don't, we may not be able to process your application or request.

### Marketing Communications

We will use your personal information to send you offers for products and services we believe may be of interest and value to you (including by email, SMS or other means) unless you have previously told us that you do not want to receive marketing offers from us. The products and services offered may be provided by us or one of our third-party partners. If you do not want to receive direct marketing offers from us, you can manage your marketing preferences in your online banking profile, let us know using the contact details in our [Privacy Statement](#) or follow the opt-out instructions in the message.

## Other Acknowledgements and Consents

- We may confirm the details of the information provided in this application.
- This application form is not an offer or acceptance of credit.

## Tax Reporting Obligations

We are required under domestic and international laws to collect and report financial and account information relating to individuals and organisations who are, or may be, foreign tax residents. We may ask you whether you or any shareholder, beneficiary, settlor or controlling person are a foreign tax resident from time to time, such as when you open an account with us, or if your circumstances change. If you do not provide this information to us, including information about the foreign tax identification number for all countries you or any shareholder, beneficiary, settlor or controlling person are a foreign tax resident of, we may be required to limit the services we provide to you. This could include not opening your product, or limiting functions or services of your product, or closing it.

Unless you tell us otherwise, by completing any application for products covered under this form, you certify that you, any shareholder, named beneficiary, settlor or controlling person is not a foreign tax resident. You must tell us if you, or any shareholder, named beneficiary, settlor or controlling person is, or becomes, a foreign tax resident (unless an exemption applies, such as for shareholders of listed companies). Where there are no named beneficiaries (e.g. for beneficiaries identified only as a class) you must tell us if a beneficiary is a foreign tax resident immediately when any decision is made to identify such beneficiary and, in any case, before such distribution is to be made to them. You may contact us to provide foreign tax residence information by calling 1300 725 863. We cannot give tax advice, so please contact your independent tax advisor if you need help finding out whether any person is a foreign tax resident.

## Definitions

"We", "our", "us" means St.George Bank – A Division of Westpac Banking Corporation ABN 33 007 457 141.

"Westpac Group" means Westpac Banking Corporation and its related bodies corporate.

## Acknowledgements and Declarations

I declare that I believe any information provided, or declaration made, as part of this application to be true and correct.

I acknowledge and agree that:

- I have received a copy of the Term Deposits & Farm Management Deposits For Personal and Business Customers Terms and Conditions and I will be bound by its terms;
- I do not hold in excess of \$800,000 (including the value of this proposed deposit) in Farm Management Deposits;
- my deposit contract with the Bank will only be made when the Bank enters the deposit in the Bank's books; and
- the Bank may contact me on or around the maturity of this Farm Management Deposit in order to receive reinvestment instructions, payment instructions or to discuss any other related matter, however, the Bank is under no obligation to do so.

Depositor's Name

Depositor's Signature

Depositor's Address, phone number and date of birth (only required if the depositor is not the owner of the deposit).