

Tax Return Guide 2021

Melbourne:
Melbourne Quarter on
Wurundjeri Country
Artist's impression

lendlease

This Guide has been prepared to assist you in completing your income tax return for the year ended 30 June 2021 using your Lendlease Group 2021 Annual Tax Statement.

This Guide does not constitute tax or financial product advice. Each securityholder's particular circumstances will be different and accordingly you should seek independent taxation advice.

This Guide has been prepared for general information only and should be read in conjunction with the Australian Taxation Office's ("ATO's") instructions and publications which are listed at the end of this Guide.

This guide applies to you if:

- You are an individual Australian resident investor in Lendlease Group. This Guide does not apply to company, trust or superannuation fund investors.
- You are using the ATO Tax return for individuals 2021 to complete your income tax return.
- You hold your stapled securities for the purpose of investment, rather than for resale at a profit, and the capital gains tax ("CGT") provisions apply to you.

Further information regarding the Lendlease Group's distributions and dividends is available in the Distribution and Tax information section of our Investor Centre website at www.lendlease.com

You should keep your Lendlease Group 2021 Annual Tax Statement and this Guide with your tax records as supporting documentation for your income tax return.

Your investment in the Lendlease Group consists of shares in Lendlease Corporation Limited ("LLC") and units in Lendlease Trust ("LLT"), together referred to as the 'stapled securities'.

The Lendlease Group 2021 Annual Tax Statement provides details of the dividend income and trust distributions to be used in preparing your 2021 income tax return. For tax purposes the LLC dividends and LLT trust distributions must be separately disclosed in your income tax return.

Lendlease Group Annual Tax Statement

Below is a table showing the components of the Lendlease Group 2021 Annual Tax Statement on a cents per security ("cps") basis.

Description	(cps)	(cps)	(cps)
Payment Date	15/09/2020	17/03/2021	15/09/2021
Record Date	24/08/2020	1/03/2021	23/08/2021
LLC Unfranked	-	5.580326	^
LLC Franked	-	5.580327	^
LLC Franking Credit	-	2.391569	^
LLT Distribution - Foreign Assessable Income	*	0.820600	0.985353
LLT Distribution - Non Primary Production Income ¹	*	2.271132	2.254138
LLT Distribution - Capital Gains	*	-	-
LLT Distribution - Non-Assessable Amounts	*	0.747615	0.819412
Total Lendlease Group 2021 Tax Statements	*	15.000000	4.058903
LLT Distribution - Foreign Income Tax offsets	*	0.083799	0.100513
LLT Distribution - AMIT cost base net amount - increase	-	-	
LLT Distribution - AMIT cost base net amount - decrease	*	0.831414	0.919924
* Components included in the 2020 Annual Tax Statement.			
^ Components to be included in the 2022 Annual Tax Statement.			

Lendlease Corporation Limited Dividends

Your Lendlease Group 2021 Annual Tax Statement included the LLC dividend paid to you in March 2021. The March 2021 dividend was partially franked (50%), with the balance of the dividend being unfranked. To the extent that the dividend was unfranked for tax purposes, the amount has been declared to be conduit foreign income. No dividend was paid by LLC in September 2020.

For an individual Australian resident taxpayer, dividends from LLC are recognised for tax purposes on a 'payment' basis.

Lendlease Trust Distributions

Your Lendlease Group 2021 Annual Tax Statement included the LLT distributions paid to you in March 2021 and September 2021.

For Australian tax purposes, LLT is an attribution managed investment trust (AMIT) for the year ended 30 June 2021 such that for an individual Australian resident taxpayer, the distributions from LLT are recognised for tax purposes on an 'attribution' basis and not on a 'payment' basis.

Your Lendlease Group 2021 Annual Tax Statement is an AMIT member annual statement (AMMA statement) which sets out amounts to be recognised on an 'attribution' basis.

For tax purposes the distributions from LLT are made up of different components of taxable income, capital gains, foreign sourced income and amounts that will increase or decrease the cost base of your LLT units.

Taxable Income

Under the tax legislation, as a unitholder of LLT, you are subject to tax on the 'net income' of LLT that is attributed to you for the 2021 year.

Capital Gains

The Lendlease Group 2021 Annual Tax Statement includes your share of any capital gains derived by LLT.

TFN Amounts Withheld

Where you have not provided your Tax File Number (TFN) or claimed a relevant exemption, income tax has been withheld from the unfranked dividends paid to you by LLC and income distributed to you by LLT at the top marginal tax rate (including Medicare levy). The tax withheld should be claimed as a credit in your 2021 Tax Return.

Steps To Complete Your Tax Return

Please refer to your Lendlease Group 2021 Annual Tax Statement.

Question 11 – Dividends – Tax Return

Include at this question the unfranked amounts (11S) and franked amounts (11T) of dividends paid by LLC.

Include at this question the franking credits amounts (11U) provided by LLC.

The amount of any withholding tax (11V) deducted from your dividends should also be included.

Question 13 – Partnerships and Trusts – Tax Return (Supplementary Section)

Include at this question the non-primary production income (13U) of your distributions from LLT.

The amount of any withholding tax (13R) deducted from your distributions should also be included.

Question 18 – Capital gains – Tax Return (Supplementary Section)

If you have a capital gain shown on your Lendlease Group 2021 Annual Tax Statement answer "YES" at item 18G on your Tax Return.

If you only have a capital gain as part of your distributions from LLT, and no other capital gains, include at this question the total current year capital gains (18H) and the net capital gain amount (18A) of your distributions from LLT.

Please note that any other capital gains which you have derived should be added to the relevant amounts you have received from LLT and the total income for each category should be included in your Tax Return.

Follow the steps in the instructions to Question 18 of the Individual Tax Return Instructions 2021 including the 2021 Supplementary Tax Return Instructions to determine the amount of the net capital gains to include in your Tax Return. If you require any general information or guidance on the calculation of capital gains including details of the "discount method" and "other capital gains", consult the following Australian Tax Office publications: "Guide to capital gains tax 2021"; or "Personal investors guide to capital gains tax 2021". Alternatively, consult your tax adviser or the ATO.

Question 20 – Foreign source income and foreign assets or property – Tax Return (Supplementary Section)

Include at this question the foreign source income of your distribution from LLT.

If you only have foreign source income from LLT, include at this question the total foreign source income (20E) and net foreign source income (20M) of your distribution from LLT.

Please note that the total foreign source income and net foreign source income are the same in relation to your distribution from LLT. Any other foreign source income you have derived should be added to the relevant amounts you have received from LLT and the total income for each category should be included in your Tax Return.

You may be entitled to claim a foreign income tax offset equal to the value of (i) the amount shown on your Lendlease Group 2021 Annual Tax Statement and (ii) any other amounts of foreign tax you have paid on assessable income included in your 2021 Tax Return.

If your total foreign income tax offset from all sources for the year is \$1,000 or less, then you can claim this amount in full and include the total foreign income tax offset at this question (20O). Otherwise you may be required to work out your total foreign income tax offset entitlement by reference to the "Guide to foreign income tax offset rules 2021".

Follow the steps in the instructions to Question 20 of the Individual Tax Return Instructions 2021 including the 2021 Supplementary Tax Return Instructions to determine the amount of foreign source income, net foreign source income and foreign income tax offset to be included in your Tax Return.

Other Important Information For Australian Resident Investors

Your Investment in the Lendlease Group

Although Lendlease Group stapled securities can only be traded together as one security (ASX code: LLC), for Australian tax purposes, the securities are separate assets. Each Lendlease Group stapled security comprises two separate assets for Australian CGT purposes (one share in LLC and one unit in LLT).

Cost Base of Shares and Units

For CGT purposes, the cost of each Lendlease Group stapled security will need to be apportioned between the share in LLC and unit in LLT. One possible method of apportionment is on the basis of the relative Net Assets of the individual entities. Details of the Net Assets of the individual entities are available in the Taxation section of the Investor Centre on the Lendlease website at www.lendlease.com

CGT Implications of the AMIT cost base net increase amount component of Distributions from LLT

The AMIT cost base net increase amount component of distributions made by LLT will increase your cost base in the units of the Trust. This increase will apply in calculating any capital gain or capital loss in respect of the units for CGT purposes.

CGT Implications of the AMIT cost base net decrease amount component of Distributions from LLT

The AMIT cost base net decrease amount component of distributions made by LLT will decrease your cost base in the units of the Trust. This decrease will apply in calculating any capital gain or capital loss in respect of the units for CGT purposes.

Investors Who Have Disposed of Stapled Securities During the 2021 Financial Year

If you have disposed of any of your Lendlease Group stapled securities during the 2021 financial year, you may have made a capital gain or loss. You could refer to the publication "Personal Investors Guide to Capital Gains Tax 2021" or alternatively "Guide to Capital Gains Tax 2021" which are available from the ATO website and/or obtain independent taxation advice.

If you have any further tax questions in relation to your investment in Lendlease, we recommend you consult your tax advisor or the ATO.

ATO Publications

[Individual tax return instructions 2021 including the 2021 supplementary tax return instructions](#)

[Guide to capital gains tax 2021](#)

[Personal investors guide to capital gains tax 2021](#)

[You and your shares 2021](#)

[myTax Instructions 2021](#)

[Guide to foreign income tax offset rules 2021](#)


To obtain copies of these publications from the ATO please phone the ATO Publications Distribution Service on 1300 720 092 or obtain the information from the ATO website at www.ato.gov.au

Level 14, Tower Three
International Towers Sydney
Exchange Place
300 Barangaroo Avenue
Barangaroo NSW 2000

www.lendlease.com

 @lendlease

 @lendleasgroup

 @lendlease