

Changes to your Macquarie Investment account

Macquarie Vision

Summary of changes:

1. GST updates on adviser service fees
2. Cessation of foreign currency deposits

1. GST updates on adviser service fees

In December 2023, the Australian Taxation Office (ATO) issued new guidance that reduced input tax credits (**RITC**) for adviser service fees are not eligible to be claimed by Superannuation Funds and Investment platforms. Superannuation Funds and Investment platforms are expected to comply with the ATO's guidance, from 1 July 2024.

What is the impact of this change?

As a result of the ATO's guidance, any GST collected on adviser service fees will cease to receive the benefit of RITC going forward (where applicable), which in certain circumstances is up to 75% of the GST payable.

When is the change effective?

This change will impact fees accrued from 1 June 2024 onwards as adviser fees charged through the platform are charged in arrears¹.

EXAMPLE: how the change can impact adviser service fees (for illustrative purposes only)

Currently, where an investor agreed to pay an adviser service fee of \$1,100 (including \$100 GST), the RITC claimed would have been \$75² and the amount paid from their account would have been \$1,025.

Once this change comes into effect, the same adviser service fee of \$1,100 (including \$100 GST)³ paid from an investor's account would be \$1,100. Please see a detailed breakdown of this example below.

Adviser Service fee breakdown	Current state	Future state
Adviser service fee excluding GST	\$1,000.00	\$1,000.00
GST amount (10%)	\$100.00	\$100.00
Adviser service fee including GST (amount paid to the adviser)	\$1,100.00	\$1,100.00
RITC rate	(7.5%)	0%
RITC benefit passed on to the investor	(\$75.00)	\$0.00
Adviser Service fee amount paid from the investor's account:	\$1,025.00	\$1,100.00

1. Adviser fees are generally charged in the first week of the month after the fees accrue or upon closure of your account.

2. Assuming the platform was able to claim 75% of the GST payable.

3. Assuming GST continues to apply (e.g. based on the ATO's guidance, it is possible that GST may cease to apply in certain circumstances where an investor is a non-resident).

Need help understanding this change and how it may impact you?

As adviser service fees are agreed between you and your financial adviser, we recommend speaking to your adviser if you have any questions on how this change may impact you.

2. Cessation of foreign currency deposits

We will no longer be accepting funds in a foreign currency. From June 2024, funds received in a foreign currency may be returned to the sender. Transfers received from an overseas financial institution can only be in Australian dollars.

Where applicable, these changes will be incorporated into the Supplementary IDPS Guide available at **macquarie.com/vision** from 31 May 2024. If you have any questions regarding these changes, please speak to your adviser or visit Help Centre at **macquarie.com.au/help**.

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