QUANTA

P: (07) 3999 7100
E: investorrelations@quantainvest.com.au
QUANTAINVEST.COM.AU

Tax Deferred Example

Here is an example of tax deferred and how it works.

Steve is an investor in one of Quanta's unlisted property funds. Let's assume he invested $100,000 at $1.00 per unit, and received $8,000 over 12 monthly distributions, with 40% or $3,200 tax deferred. We also assume Steve's taxable income is within the $45k - $135k bracket with an average personal marginal tax rate at 30% excluding Medicare Levy.

RESIDENT TAX RATES 2025-26

Taxable Income	Tax on this income
0 - $18,200	NIL
$18,201 - $45,000	16 cents for each $1 over $18,200
$45,001 - $135,000	$4,288 plus 30 cents for each $1 over $45,000
$135,001 - $190,000	$31,288 plus 37 cents for each $1 over $135,000
$190,001 and over	$51,638 plus 45 cents for each $1 over $190,000

Without tax deferred, Steve will add the entire $8,000 to his taxable income and pay $2,400 of income tax at his marginal tax rate. i.e. $8,000 x 30%.

As the distributions Steve has received from Quanta have a tax deferred component, Steve will only include $4,800 in his tax return, with income tax reduced to $1,440 at his marginal tax rate, i.e. $8,000 x (1 – 40%) x 30%.

ANNUAL DISTRIBUTION

	With Tax Deferred	Without Tax Deferred
12 Month Distribution	$8,000	$8,000
Less Tax Deferred	($3,200)	$0
Taxable Income	$4,800	$8,000
Tax Payable	($1,440)	($2,400)
After Tax Distribution	**$6,560**	**$5,600**
Additional Cash	$960	$0

The tax deferred component of distributions may reduce the tax payable, but it also reduces the cost base of the investment. Steve is also entitled to a 50% discount on any capital gain if he holds the units for more than 12 months.

If Steve sells his units for $105,000 or $1.05 per unit 12 months later, his cost base is reduced to $96,800, i.e. $100,000 - $3,200 tax deferred. Steve's capital gain will be $8,200 based on the new cost base.

Of the $3,200 tax deferred mentioned earlier, Steve will only need to pay capital gains tax on $1,600 (due to the 50% capital gain discount) at his marginal tax rate.

This example is not intended to be tax advice and you should consult a professional tax adviser, if necessary, for tax advice in connection with your individual circumstances.