

Thursday 8 September 2016

Dear NRAS Investors.

What we know so far:

The Department of Social Services (DSS) is progressing steadily toward assessing our claims. Their goal is to finalise approvals for all *Compliant* properties by September 30. Compliant properties are all submissions where the Department agrees with our assessment and what we submitted in the Statement of Compliance for each property. If they believe there are errors in the submissions, need more information from us, or ask us for corrective action, then those properties are *Non-Compliant* until all discrepancies are finalised, and this can take a number of weeks.

Once approval is granted, then (as many of you know) you are issued with the Refundable Tax Offset (RTO) certificate which enables you to lodge your tax return, and 2-4 weeks after that you also receive the State Government cash incentive directly into your rent account.

Progress to date

As of the writing of this email, DSS has gone through the initial assessment (not final approval) of 38% of our properties. After the initial assessment, there are a couple of additional steps that need to take place before final approvals are granted. Given that they are not even at the halfway mark, one can only speculate how long before the approval process is complete. Nonetheless, they do have a target date to work towards.

What are your options now?

1. Wait until the RTO certificate is issued and then you can lodge your tax return. If you haven't received your certificate and believe you will be unable to lodge your tax return by its due date, then you need to consult with your tax agent or the ATO for the best course of action in *your* particular circumstances.
2. Lodge your tax return now. The information of what the tax claimable incentive will be for the 2015-16 NRAS year is publically available on the DSS website [here](#). The amount of the full incentive (\$8,187.78) can only be claimed for those properties that were fully compliant for the year with 366 days' eligibility. The full incentive amount *cannot* be claimed if the property was:
 - not owned by you for the full year,
 - vacant for longer than 91 consecutive days,
 - the rent exceeded the 80% threshold of the "market rent" that the registered valuer determined for your property.

You may contact me directly (phone or email) and I can tell you what we submitted on your behalf. However, that does *not* guarantee that you will receive what we claimed as there is always a possibility that NRAS may disagree with our submission. Therefore, if you lodge your tax return now and NRAS disagrees with our submission, then you may have to amend your tax return and possibly refund the ATO the difference. Whereas, if you do your tax return *after* the official RTO certificate is issued, then there is no need for an amendment because whatever amount is on the certificate is what NRAS has approved for your property.

We will endeavour to provide you with regular updates in regular intervals but you can also track NRAS's progress updates via [this link](#) to DSS's website.