



1. Double taxation - being liable to pay tax in both countries

If you have income from one country and are resident in another, you may be liable to pay tax in both countries under their tax laws. To avoid 'double taxation' in this situation, the United Kingdom (UK) has negotiated Double Taxation (DT) treaties with countries that include Australia. The precise conditions that apply to your income from the UK as a resident of Australia can be found in the text of the UK/Australia Double Taxation Convention. Go to www.gov.uk/government/collections/tax-treaties

2. Purpose of form Australia Individual

As a resident of Australia the form allows you to apply under the United Kingdom/Australia Double Taxation Convention for relief at source from UK Income Tax on a UK State Pension and UK-source pensions, purchased annuities, royalties and interest. Use the form to claim repayment of UK tax in cases where payments of the income have already been made with UK tax deducted.

3. Tax vouchers

Do not send tax vouchers with your completed form Australia Individual. Keep them safe in case they're needed later to support the claim. But if you have any doubt about how you've completed the form you can send the vouchers if you think it will help us.

If you receive a pension:

- see note 8 'Completing the form Australia Individual'
- read the guidance about Parts C1 and C2 and the photocopy documents you may need to send

4. Residence in Australia

It is a condition of relief from UK Income Tax under the terms of United Kingdom/Australia Double Taxation Convention that the beneficial owner of the income is resident in Australia.

Holders of Australian Temporary Resident Visas - important change from 1 July 2006

From 1 July 2006 Australia changed its law to exempt from Australian tax, with the exception of income from employment, the non-Australian income of individuals who are temporary residents of Australia.

Article 23(2) of the 2003 Convention between the UK and Australia provides that where an individual is exempt from tax by virtue of being a temporary resident of Australia, then the relief to be allowed under the Convention in the UK shall not apply to the extent that income or gains are exempt from tax in Australia.

This means that if you hold a Temporary Resident Visa, you are liable to UK Income Tax on your UK source income paid on or after 1 July 2006. UK income paid before that date will qualify for relief from UK tax under the UK/Australia Double Taxation Convention.

However you may be able to claim UK allowances to set against your income. For more information:

- go to www.gov.uk and search for 'double taxation'
- contact HM Revenue and Customs at the address and phone number shown in note 7

5. Confidentiality

All the information that you give to HM Revenue and Customs is confidential. We can therefore only discuss your tax affairs with you or any tax adviser named by you.

6. Where to send the completed form

Send the completed form Australia Individual to the Australian Taxation Office for the state you reside in. If you're resident in Australia for the purposes of Australian tax, the Australian Taxation Office will certify the form and send it to HM Revenue and Customs.

7. Help or further information

If, after using these notes you need help or more information:

- go to www.gov.uk and search for 'double taxation'
- phone HM Revenue and Customs on + 44 135 535 9022 if calling from outside the UK or 0300 200 3300 if calling from the UK
- write to HM Revenue and Customs, Pay As You Earn and Self Assessment, BX9 1AS, United Kingdom

Please quote our reference number or your UK National Insurance number whenever you contact us.

8. Completing the form Australia Individual

Use the following notes to help you complete Parts A to F of the form.

You should:

- include only the income on which you're claiming relief from UK tax under the provisions of the UK/Australia Double Taxation Convention
- give all the information requested and attach any supporting documents that are asked for, if you need more room, attach a separate sheet of paper, write your name and your HM Revenue and Customs reference number on each additional sheet

Part A: Personal details of claimant

Give all the details asked for. If you have a tax adviser, include the tax adviser's details.

Part B: Questions

Tick the boxes that apply to you and give any additional information asked for.

Part C: Application for relief at source from UK Income Tax

As explained in these notes, the UK/Australia Double Taxation Convention provides for:

- no UK tax to be withheld from payments of pensions and annuities
- UK tax at 10% to be withheld from payments of interest
- UK tax at 5% to be withheld from payments of royalties

However, see note 4 about holders of Australian Temporary Resident Visas.

Give the details asked for in Part C to apply for relief at source from UK Income Tax on future payments of income. Relief at source may be available in cases where HM Revenue and Customs is able to exercise its discretion to issue a notice (under Statutory Instrument 1970 Number 488, as amended). We deal with each application on its merits. Where we cannot

agree to allow relief at source or cannot arrange it, you can claim repayment of the UK tax taken off.

If relief at source is granted, tell HM Revenue and Customs at the address in note 7, without delay, if there is any subsequent change to the information you've given on form Australia Individual.

Part C1: UK State Pension

The UK State Pension is a National Insurance benefit and is taxable, but usually paid without deduction of tax. If you receive a UK State Pension you can claim exemption from UK Income Tax under the UK/Australia Double Taxation Convention. Tick the 'UK State Pension' box in Part C1 of the form Australia Individual and give the date payments began.

State Pension Deferral lump sum

If you've received a State Pension Deferral lump sum from which UK tax has been taken off, see Part D of these notes.

Part C2: UK pensions and purchased annuities

Pensions (including the UK State Pension - see C1 of these notes) and most annuities from the UK, paid to you as a resident of Australia, can be exempted from UK Income Tax. If UK Income Tax has been deducted from pension or annuity payments, this tax can be repaid to you in full.

If the pension and/or annuity is taxed under the PAYE (Pay As You Earn) system, any adjustment will go back to the latest of the following:

- the date on which you became resident in Australia for the purpose of that country's tax
- the date payments of the income began
- the earliest UK tax year which remains in date for claiming repayment of UK Income Tax

Send a photocopy of the latest P60 that you've received from the payer of your pension with your form Australia Individual. This will help us make the adjustment.

C3: UK Interest

UK source interest can be paid to you with 10% tax deducted. Any UK tax in excess of 10% that has been deducted can be repaid to you.

Interest from securities

UK tax is deducted from interest on loan stocks issued by:

- companies which are not quoted on the Stock Exchange
- local authorities

We may be able to arrange for interest on these stocks to be paid with tax deducted at 10%, as explained in this note.

Interest from the following UK sources is paid with no UK tax deducted, so there is no need to apply for relief from UK tax at source. Do not enter in Part C2 of form Australia Individual:

- interest from company loan stocks quoted on the Stock Exchange (paid automatically without deduction of UK tax)
- interest from UK government securities (paid automatically without deduction of UK tax)
- interest from UK banks and building societies (paid automatically without deduction of UK tax)

If you've already received any interest with UK tax deducted, you may claim repayment of the tax in excess of 10%.

Other interest

Where interest is payable on a loan to a UK resident individual or company, attach a copy of the loan agreement to the form Australia Individual.

C4: Royalties

Most UK source royalties can be paid to you with a rate of 5% tax deducted. Any UK tax in excess of 5% that has been deducted can be repaid to you.

The Double Taxation Convention allows relief only to the beneficial owner of the royalties. The beneficial owner is normally the originator of the work or product.

Copyright royalties for literary, dramatic, musical or artistic works

If you're not the originator but have acquired the rights, attach a copy of the licence, contract or assignment under which you've acquired the UK rights to the form Australia Individual. This will help us to check that the beneficial ownership condition in the Double Taxation Convention is satisfied.

Other royalties

Attach a copy of the licence agreement between you and the UK payer of the royalties to the form Australia Individual. If you're not the originator of the product giving rise to the royalties but have acquired the rights, attach a copy of the licence, contract or assignment under which you've acquired the UK rights.

Part D: Claim for repayment of UK Income Tax

Interest and royalties

As explained in these notes, the UK/Australia Double Taxation Convention provides for a reduced rate of UK tax to be withheld from payments of interest and royalties. If you've received interest or royalty payments from which UK tax has been taken off, you may claim repayment of some of the UK tax. Enter the details asked for in Part D.

Income from a trust or estate

If you receive payments from a trust or estate, write the name of the trust or estate in the source of income box in Part D.

If you've received a payment from a discretionary trust, write both the name of the trust and its UK tax reference number in the source of income box in Part D. HM Revenue and Customs will 'look through' to the income received by the trustees and work out the repayment due to you. It is likely that you will only be entitled to some of the amount shown as tax credit at the rate applicable to trusts in the Statement of income from trusts, R185 (Trust Income), given to you by the trustees.

State Pension Deferral lump sum

If you've received a State Pension Deferral lump sum from which UK tax has been taken off:

- fill in Part C1 to claim exemption from UK Income Tax for payments of the State Pension
- enter in Part D the amount of the lump sum and the amount of tax taken off

Send a photocopy of the notification of the lump sum award that you received from The Pension Service with your form Australia Individual. This will help us make the repayment.

Part E: Payment details and authority

E1 Payment to a nominee

You should only fill in Part E1 if you want HM Revenue and Customs to make any repayment to a nominee on your behalf. We will send the repayment by post direct to your nominee's address so you'll need to give the full postal address and other details asked for in the form.

E2 Payment made to you at another address

If you want HMRC to send the repayment to you at an address that is not your residential address, give details in Part E2.

Part F: Declaration

You must sign the form Australia Individual personally in Part F.

You may claim on behalf of:

- an unmarried minor (someone under the age of 18)
- a mentally incapacitated person
- someone who has died

Claims should normally be made by:

- a parent or guardian on behalf of an unmarried minor
- the person authorised by the courts to look after the affairs of a mentally incapacitated adult (or the DWP appointee)
- the executor or administrator of the estate of someone who has died (the claim will relate to income up to the date of death only)

If you're in any doubt ask HM Revenue and Customs about whether you're the right person to make the claim. Remember that in these notes and in the form, references to 'you' and 'your' may equally apply to the person on whose behalf you're claiming.

Working out for yourself the amount of tax repayable

If you've received interest or royalty payments from which UK tax has been deducted, you may claim repayment of some of the UK tax. As explained in these Notes, the UK/Australia Double Taxation Convention provides for UK tax to be withheld at the reduced rates of:

- 10% from interest payments
- 5% from royalty payments

See the instructions below. If you do not wish to work out the repayment and do not enter an amount in Part F2(a) of the form Australia Individual, HM Revenue and Customs will work out any repayment due.

You may use these boxes to work out the amount of any repayment of tax on UK interest or royalty payments.

Enter in box 1 the amount of income before deduction of UK tax and in box 2 the amount of UK deducted (take these figures from the totals boxes in Part D of form Australia Individual)

Income										UK tax													
1	£									•	0	0	2	£							•	0	0

If the income is interest, calculate 10% of the total amount of interest (in box 1) and enter the result in box 3

3	£									•	0	0
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If the income is royalties, calculate 5% of the total amount of royalties (in box 1) and enter the result in box 3

4	£									•	0	0
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Deduct the amount in box 3 from the amount in box 2 and enter the result in box 4

Finally, take the amount you've shown in box 4 and enter it on the form Australia Individual at Part F2(a). This is the amount repayable to you.

Note. If you claim repayment of tax deducted from both interest and royalties, you'll need to work out the amounts separately. Use the boxes above as a guide. Add together the tax repayable for the interest and for the royalties, then enter the grand total in Part F2(a) of the form.