Sample SoA text

The following text can be included as part of the Disclosure of Fees section of the SoA.

**Tax deductibility of advice fees**

A portion of the fees you personally pay for financial advice may be tax-deductible, depending on the nature of the advice provided. Under s 25-5 of the *Income Tax Assessment Act 1997* (ITAA 1997), fees related to managing your tax affairs, such as considering the tax implications of investment structuring, capital gains tax (CGT) planning, and deductible debt strategies, may be deductible. Additionally, under s 8-1 of ITAA 1997, ongoing fees incurred in producing assessable income may also be deductible.

Please note that any advice fees paid via superannuation or pension products will not be eligible for a tax deduction.

Based on our assessment of the advice we have provided, we have calculated the portion of the advice fees that may be classified as a deductible expense:

|  |  |  |  |
| --- | --- | --- | --- |
| Fee | Individual | Eligible advice fee | Deductible portion |
| Initial advice fee | Client1 | [$X] | [$X] |
| Ongoing advice fee | Client1 | [$X] | [$X] |
| **Total for Client1** |  | **[$X]** | **[$X]** |
| Initial advice fee | Client2 | [$X] | [$X] |
| Ongoing advice fee | Client2 | [$X] | [$X] |
| Total for Client2 |  | [$X] | [$X] |

The attached invoice provides a detailed breakdown of the apportionment and the basis for this calculation. We have also provided a letter that you can provide to your accountant to assist with your tax lodgement that details our basis for the calculations above.

This guidance is based on our understanding of current tax laws and Australian Taxation Office (ATO) guidance. Your eligibility to claim a deduction will depend on your individual circumstances. We recommend consulting with a registered tax agent to confirm deductibility and ensure compliance with ATO requirements. The ATO may request evidence to support any claim made, so we recommend retaining this document, along with the attached invoice, for your records.