



“FARM MANAGEMENT DEPOSITS”

ELIGIBILITY

- Operate a primary production business at the time you make a deposit.
- Have taxable non-primary production income not exceeding \$100,000.
- Make a deposit of at least \$1,000.
- Hold no more than \$800,000 in FMD accounts at any one time.
- Deposits must be held in account for at least 12 months.

HOW DOES IT WORK

- Receive a deduction for investing funds/profits into a Farm Management Deposit (FMD) account to reduce your reportable income from primary production activities.
- Any withdrawals from a FMD account are reported as income.
- A FMD account is similar to a term deposit investment.
- FMD accounts are held in the names of individuals. They cannot be held in joint names and also not in the name of an entity if you operate a partnership, trust or company.

WHAT ARE THE BENEFITS

- Income is transferred between financial years by:
- Reducing taxable income in successful years
- Having funds available to access in less profitable years to boost your business cash flow.

FOR MORE INFORMATION

Visit the ATO website: <https://www.ato.gov.au/>

Or phone 13 28 66 from Monday-Friday 8:00am-6:00pm

Or Contact Sheridan Partners on 1300 896 574

Disclaimer - this information is of a general nature and does not constitute personal advice.
You should not act solely on the material contained in this guide without consultation with your business advisers.

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