

Combined investments in foreign companies
must be <20% of committed capital* ^



Partnership invests in foreign company

Partnership invests **\$1m** in 2016

Investment A



Partnership invests another **\$1m** in 2018

Investment B



Investment A **\$1m** revalued 2018

It has now doubled to **\$2m**



Total investment

FAILS

Total of investments is now >20%



Investment A

PASSES

1st investment revalued at 20% = valid



Investment B

FAILS

2nd investment pushes total over limit = NOT valid

*Under subsection 12A of the *Income Tax Assessment Act 1997*
^All values are in Australian Dollars