


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



Partnership invests in
Australian company

Partnership invests  in 2016
Investment A



The Australian company then
moves overseas



Partnership invests another 
to the now foreign company in 2018
Investment B



Investment A

PASSES

Complies with subsection
2 and does not need to
be totalled with
Investment B
= valid



Investment B

PASSES

2nd investment
is <20% of the
committed capital
= valid



Total investment

It does not matter that it is >20% of committed capital
as the total of investments in a foreign company is <20%

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