

Farm Management Deposit - frequently asked questions

- **Can I have more than one FMD?**

You can split the FMD into variable and fixed rate options with different maturity dates. However you can only hold FMD accounts with one financial institution at any one time.

- **I currently have an FMD with another bank, can I transfer it to Rural Bank?**

Yes, a FMD currently held at another financial institution can be transferred at any point in time to Rural Bank. However it is very important that an FMD must be transferred electronically between financial institutions. If you withdraw a FMD in the form of, for example, cash or cheque this will void the FMD status of that deposit and it will need to be held as an FMD for another 12 months to attain the taxation benefits.

- **Can my wife and I both have a FMD?**

Yes, as long as your wife is a primary producer and she does not earn more than \$65,000 from other non-farm income. You must also hold the deposits in individual names – you cannot hold a FMD deposit in joint names.

Please refer to the Australian Tax Office (www.ato.gov.au) for definition of a “primary producer” and other FMD eligibility criteria.

- **I work part-time as a truck driver to supplement my farm income, can I still hold a FMD?**

If your non-primary production income, in this case your income from truck driving, is less than \$65,000 then you are still eligible to hold an FMD. If you earn greater than \$65,000 in non-farm income then a FMD is not available to you

- **I need to use some money in about 3 months time, can I invest it in your 3 month fixed rate FMD product?**

A FMD deposit must be held in eligible FMD accounts for at least 12 continuous months for it to be eligible for rural producer taxation benefits. Rural Bank offers a range of fixed and variable rate FMD products in order to give primary producers a choice of rate and term options. For example you can initially take a 3 month deposit and then at maturity roll that into a different fixed or variable rate FMD account – however to qualify for taxation benefits the deposit must be held in FMD accounts for the full 12 months. If you know that you will need the deposit funds in less than 12 months time then to discuss other Rural Bank deposit options visit your local Elders or Bendigo Bank branch, call our Customer Service Centre on 1300 660 115 or visit the [rural bank deposits webpage](#).

- **My Family Trust already has an account with Rural Bank, can I open an FMD under that name?**

No, a FMD must be in the name of an individual and cannot be held in the name of a Trust, Company or Partnership. However an FMD is available to certain beneficiaries of trusts and individual partners of a partnership. You can refer to the Australian Tax Office (www.ato.gov.au) for further information on who is eligible to hold an FMD.

- **I have \$500,000 in deposits that I'd like to put into a Rural Bank FMD, would you suggest I put it into a fixed or variable rate?**

Firstly, the combined value of FMD cannot exceed \$400,000 so you would need to consider how much you put into FMD and how much into other deposit accounts. Secondly, you would need to make your own decision on a fixed or variable, or combination, interest rate. You might like to obtain independent advice or consult your taxation advisor to determine the taxation benefits of an FMD in your own circumstances. You can refer to the Australian Tax Office (www.ato.gov.au) for further information on the taxation implications of an FMD.

- **What fees are there on a Rural Bank FMD?**

No monthly account service fees or transaction fees apply to Rural Bank Farm Management Deposit accounts. Other fees and charges as listed in the [Rural Bank Fees and Charges booklet](#) may apply and will be payable by you from another account. Fees will not be debited to an FMD account.

- **Where can I get more information on FMDs?**

For information about Rural Bank Farm Management Deposits including rates, terms and conditions visit your local Elders or Bendigo Bank branch call our Customer Service Centre on 1300 660 115.

For further information on eligibility criteria and other FMD conditions refer to the Australian Government Department of Agriculture, Fisheries and Forestry (www.daff.gov.au) and also the Australian Taxation Office (www.ato.gov.au).