



6 June 2018

Mr Mark Fitt
Committee Secretary
Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Email: economics.sen@aph.gov.au

Dear Mr Fitt,

Inquiry into Treasury Laws Amendment (2018 Superannuation Measures No. 1) Bill 2018

The SMSF Association welcomes the opportunity to make a submission to the Senate Economics Legislation Committee Inquiry into Treasury Laws Amendment (2018 Superannuation Measures No. 1) Bill 2018. We will reserve our comments to Schedules 2, 3 and 4 of the Bill.

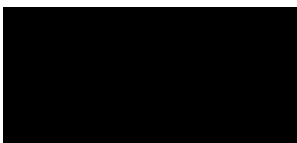
The Association supports the introduction of Schedule 2 which allows individuals to avoid having excess concessional contributions where their compulsory superannuation guarantee contributions received from multiple employers exceeds the annual concessional contribution cap. This measure reduces a compliance burden on individuals that may exceed the cap.

We have reviewed Schedule 3 which amends the non-arm's length income provisions to include expenses incurred in producing the relevant non-arm's length income and do not have any substantive issues to raise.

Finally, we have welcomed the Government's Schedule 4 amendments to the total superannuation balance provisions to include the outstanding loan balance of certain limited recourse borrowing arrangements.¹ We note that the Government has listened to industry feedback and has narrowed the application of the provisions to a smaller subset of SMSF members than that proposed in the original draft legislation. This has substantially improved the legislation.

If you have any questions about our submission please do not hesitate in contacting us.

Yours sincerely,



John Maroney
CEO
SMSF Association

¹ SMSF Association Media Release, *Amended LRBA integrity measures 'get balance right'*, 24 May 2018
<https://www.smsfassociation.com/amended-lrba-integrity-measures-get-balance-right/>



ABOUT THE SMSF ASSOCIATION

The SMSF Association is the peak professional body representing SMSF sector which is comprised of over 1.1 million SMSF members who have \$712 billion of funds under management and a diverse range of financial professionals servicing SMSFs. The SMSF Association continues to build integrity through professional and education standards for advisors and education standards for trustees. The SMSF Association consists of professional members, principally accountants, auditors, lawyers, financial planners and other professionals such as tax professionals and actuaries. Additionally, the SMSF Association represents SMSF trustee members and provides them access to independent education materials to assist them in the running of their SMSF.