

24 August 2012

General Manager
Business Tax Division
The Treasury
Langton Crescent
PARKES ACT 2600

Email: cgt_super_roll-over@treasury.gov.au

Dear Sir/Madam,

RE: Tax relief for merging superannuation funds

The Australian Institute of Superannuation Trustees (AIST) is an independent, not-for-profit professional body whose mission is to protect the interests of Australia's \$450 billion not-for-profit superannuation sector. AIST's members are the trustee directors and staff of industry, corporate and public-sector superannuation funds, who manage the superannuation accounts of two-thirds of the Australian workforce.

This exposure draft ("the ED") is aimed at ensuring that tax considerations are not an impediment to superannuation funds seeking to merge and consolidate in response to the Stronger Super reforms.

AIST has previously made a number of submissions supporting CGT rollover relief (12 February 2009, 11 August 2011, as part of the Stronger Super Information Pack¹ and most recently submitted in response to the taxation relief proposal paper on 8 June 2012²). AIST has also made representations directly to Government in November 2011 and March 2012 on the subject.

AIST fully supports the proposed taxation relief as outlined in the ED and agrees with the timeframe of 1 October 2011 to 1 July 2017. We support the retrospective application of the timeframe from 1 October 2011 to the implementation date of 1 July 2013 and agree that bringing the application timeframe forward will cover funds that merge after that date.

Our primary recommendation continues to be giving the legislation the highest priority to pass through Parliament. AIST supports the removal of the MySuper component from the reform in the interests of ensuring this measure is promptly passed.

¹ <http://www.aist.asn.au/superannuation-policy-research/submissions/2011-collection.aspx>, August 2011 and October 2011

² <http://www.aist.asn.au/superannuation-policy-research/submissions/2012-collection.aspx>, June 2012

With regard to the additional terms and conditions of this relief package as compared to previous packages, AIST has no particular concerns with these criteria.

If you have any further questions regarding this submission, please contact Richard Webb, Policy & Regulatory Analyst on 03 8677 3800 or rwebb@aist.asn.au.

Yours sincerely,

A handwritten signature in black ink that reads 'Fiona Reynolds'.

Fiona Reynolds
Chief Executive Officer