



May 23, 2013

Manager
Contributions and Accumulation Unit
Personal Retirement and Income Division
The Treasury
Langton Crescent
PARKES ACT 2600

Email: ConcessionalContributionsCaps-2013@treasury.gov.au

To whom it may concern,

Superannuation Concessional Contributions Caps

The Institute of Public Accountants (the Institute) welcomes this opportunity to respond to the proposed legislative amendments.

The Institute has over 24,000 members, students and academics worldwide. Our members are involved in advising clients on superannuation issues and will be impacted by these proposals. The Institute not only represents the interests of members, but also applies a public interest test when developing policy positioning.

The Institute welcomes the proposed increases in concessional caps; noting that the Institute did not support the previous reduction in the concessional caps, particularly for those aged over 50 years. The winding back of the reduction is a welcome beginning, and we would hope that when the budget returns to surplus; close consideration will be given to further increases in the concessional caps.

Whilst supportive of the change to concessional caps we are however disheartened that the government has withdrawn from its previous position of increasing the cap for those over 50 with less than \$500,000 in fund balances. We remain of the view that older Australians who have not had lifetime superannuation; in particular women who have taken time out of employment and the superannuation system; should be compensated through higher concessional caps. We appreciate the considerable complexity implicit in the development of the proposed legislation but continue to believe there are strong public policy reasons for having a higher concessional cap for older workers with low balances.

We welcome the proposals to increase the concessional caps as an important first step towards redressing the inequities created by the initial reduction in these caps.

Please contact our Senior Policy Adviser, Reece Agland, via e-mail at reece.agland@publicaccountants.org.au should you wish to discuss the details of this submission further.

Kindest Regards

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