

The Association of Superannuation Funds of Australia Limited  
ABN 29 002 786 290  
ASFA Secretariat  
PO Box 1485, Sydney NSW 2001  
p: 02 9264 9300 (1800 812 798 outside Sydney)  
f: 1300 926 484  
w: [www.superannuation.asn.au](http://www.superannuation.asn.au)



20 January 2012

Australian Taxation Office  
PO Box 9977  
Upper Mt Gravatt QLD 4122

Attention: Damian Byrnes

Email: [Damian.Byrnes@ato.gov.au](mailto:Damian.Byrnes@ato.gov.au)

**RE: Draft Taxation Ruling  
TR 2011/D6**

Dear Mr. Byrnes,

The Association of Superannuation Funds of Australia (ASFA) would like to lodge this submission with respect to the above draft taxation ruling that sets out the ATO's views on the deductibility under subsection 295-465(10) of the *Income Tax Assessment Act 1997* of premiums paid by a complying superannuation fund for an insurance policy providing Total and permanent Disability cover in respect of its members..

ASFA is a non-profit, non-political national organisation whose mission is to advance effective retirement outcomes for members of superannuation funds through research and advocacy. We focus on the issues that affect the entire superannuation industry. Our membership, which includes corporate, public sector, industry and retail superannuation funds as well service providers some of whom deal with self managed superannuation funds (SMSFs), has over 90% of the approximately 12 million Australians with superannuation as members. ASFA members manage or advise on the bulk of the \$1.3 trillion in superannuation assets as at September 2011. ASFA is the only organisation that represents all types of superannuation funds and associated service providers.

#### **General comments**

ASFA has reviewed the draft ruling and notes the changes from the withdrawn TR 2010/D9, the previous draft ruling on this topic.

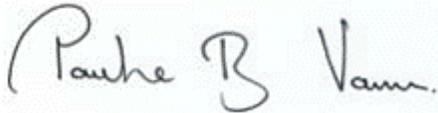
Based on our understanding of the law and consultations with our members there appears to be nothing in the ruling that is inconsistent with industry expectations.

We are appreciative of the inclusion of Example 9 which is based on an insurance arrangement included as part of limited recourse borrowing arrangement. This provides useful and timely clarification in what is becoming a more typical arrangement in the superannuation industry.

\* \* \* \* \*

Should you have any questions please contact our Principal Policy Adviser, Robert Hodge, on 02 8079 0806.

Yours sincerely

A handwritten signature in black ink that reads "Pauline B. Vamos". The signature is written in a cursive style with a large, stylized 'P' and 'V'.

Pauline Vamos  
Chief Executive Officer