

Submission Reference: 2015/05

19 February 2015

Draft legislation and explanatory statement – Low Income Superannuation Contribution Reporting

ASFA responded to the Treasury call for comment on draft *Tax and Superannuation Laws Amendment (2015 Measures No. 1 – low income superannuation contributions) Regulation 2015*.

ASFA notes that the purpose of the Regulation is to make minor technical changes to the Corporations Regulation 2001 to enable superannuation funds to report the low income superannuation co-contribution (LISC) in a cost effective manner.

ASFA supports the change which formalises and permanently extends the relief currently granted by the Australian Securities and Investments Commission (ASIC) under class order CO13/1420, and which expires on 30 June 2015.

ASFA considers that the proposal to change the requirement with respect to the separate reporting of LISC and co-contributions amounts from 'must' to 'may' is sensible.

ASFA strongly supports the expectation in the explanatory material that where a fund trustee continues to aggregate the amounts, the periodic statement should be accompanied by additional information to assist the member in understanding the nature of the contribution amount included on the periodic statement.