

Submission Reference: 2015/09

18 March 2015

Treasury - Fairer taxation of excess non-concessional contributions reforms - Regulations

The Association of Superannuation Funds of Australia (ASFA) has responded to Treasury's request for comments on exposure draft regulations and draft explanatory statement to make changes to regulations to implement the Fairer Taxation of Excess Non-concessional Contributions reforms and correct minor technical errors in the regulations.

ASFA supports the making of these regulations but requests that the ATO in determining the timing of the first issue of these new release authorities, gives consideration to the needs of superannuation providers to put in place the necessary new administration arrangements, which is likely to take a few months.

With respect to the correction by the regulations of some other minor technical errors in the regulations, in general, these changes are also supported. However, ASFA has concerns with the potential impact of Item 9 which removes the capacity of a temporary resident of Australia who has moved permanently to New Zealand from transferring their Australian superannuation account to a New Zealand KiwiSaver Scheme.

ASFA is concerned that the proposed change will achieve little, but will increase fund administration costs and will make the "KiwiSaver transfer" system even more inefficient.