

Submission number: 2014/08

3 February 2014

Superannuation - Increases to the Lost Member Small Account Threshold

ASFA responded to the Treasury request for comments on exposure draft legislation to increase from \$2,000 to \$4,000, and then to \$6,000, the account threshold below which small lost member accounts will be required to be transferred to the Commissioner of Taxation.

The ASFA submission:

- notes the considerable changes in the management of lost superannuation accounts in recent years which, viewed collectively, largely have enhanced the situation of fund members and particularly the class of members with lost accounts.
- Raises concerns with the proposal to increase the thresholds,
- Seeks an amendment to the *Superannuation (Unclaimed Money and Lost Members) Act 1999*, (SUMLM Act) so as to permit the Commissioner of Taxation to pay a **lost member account** amount to a complying superannuation plan where the Commissioner is satisfied as to the identity of the lost member account owner and that the person holds an account in the proposed destination fund, and
- recommends that the two proposed increases in the threshold not be enacted, or otherwise, that the increases be deferred, until such time as the Commissioner's capacity to pro-actively repatriate these accounts under the SUMLM Act has been granted and given an opportunity to take effect