



Self Managed Superannuation Funds (SMSFs)

The current superannuation and taxation legislation recognises two types of small superannuation funds with less than five members:

- SMSFs
- Small Australian Prudential Regulation Authority (APRA) funds

While the major taxation concessions available in relation to fund income and benefit payments are available to both types of fund (when complying), only SMSFs offer the ability for members to maintain control of their fund and superannuation savings. Small APRA funds are now required to have a trustee which holds a registrable superannuation entity licence from APRA.

Further, a super fund will only be eligible to become a complying fund and qualify for taxation concessions, if the trustees have completed and lodged with the Australian Taxation Office (ATO) the approved election form binding the fund to comply with legislation governing the administration and operation of superannuation funds (and has become a regulated superannuation fund).

Type of Fund

All funds we establish are structured as personal SMSFs and enable the fund to become a regulated complying superannuation fund. The trust deed and documents are designed to assist the trustee to comply with the regulatory requirements.

Members of a personal fund may be self-employed, directors of companies carrying on a member's business and other persons wishing to establish a fund which is independent of any particular employer. Employers may be formally admitted to participation in the fund but will not be a party to the trust deed. Contributions can be accepted from any employer of a member, whether formally admitted or not.

The trust deed

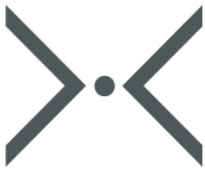
- permits members, spouses of members and other persons to contribute to the fund in respect of existing members (including the government co-contribution);
- permits employers of members to make contributions to the fund and have no further involvement (this is suitable for arm's-length employers of members);
- is fully capable of operation in relation solely to amounts rolled into the fund, e.g. to finance the commencement of a pension from the fund for retirees without other contributions.

Fully Up-to-date

The deed contains broad compliance provisions, and is drafted so as to minimise as far as possible the need for updates to be done simply because an aspect of SIS has been amended, or additional strategies have become available under tax and superannuation law.

The deed allows for:

- Contribution splitting;
- Borrowing under an instalment warrant type arrangement;
- payment when a member has a terminal medical condition;
- new type of pensions;
- binding death nominations;
- acceptance of contributions up to the age of 75;
- permits members, spouses of members and other persons to contribute to the fund (including government co-contribution).



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What does a New SMSF package include?

- Four sets of the deed;
- Product Disclosure Statement;
- Trustee Declaration;
- Relevant consents and resolutions;
- Some documents to assist with the ongoing administration of the fund.