

# Super Update

Edition 4 | April 2024

Below is a round-up of some superannuation changes and key developments that may be relevant to you, as trustee of your SMSF. It is important that you know what changes are coming, so you can effectively understand how they may affect you and the members of your SMSF.

We intend to regularly provide you with these updates as a way of helping you plan for your retirement and identify any opportunities that can assist you to grow your superannuation savings.

## MARCH

### *Valuing fund assets correctly for the SMSF annual return*

The ATO has reminded SMSF trustees of the importance of [correctly valuing fund assets for the SMSF annual return](#), flagging concerns that approximately 16,500 funds have reported certain classes of assets at the same value, for at least the last three years. Asset classes identified include property (residential and commercial) and unlisted investments (shares and unit trusts).

To address this concern, the ATO has commenced sending targeted messages to trustees and auditors and will monitor the approach taken by these funds in their next annual return.

For further information and guidance on the valuation of SMSF assets, refer to the [ATO valuation guidelines](#) for self managed super funds.

### *Auditor appointment*

SMSF trustees who are due to lodge their SMSF Annual Return by 15 May 2024 needed to have appointed an auditor no later than 45 days before lodgement.

To meet this requirement, an auditor needed to have been appointed by 1 April 2024.



### *Quarterly TBAR Reminder*

Where a transfer balance account (TBA) event has occurred between 1 January and 31 March 2024, fund trustees will need to report the event(s) to the ATO by lodging a Transfer Balance Account Report (TBAR) by 28 April 2024.

**Note:** Where there has been no TBA event during this period, there is no need to lodge a TBAR for this quarter.

25 MARCH 2024

## Director ID Number and ASIC action

ASIC has brought its first action against a director for [failing to have a director identification number](#).

Although the facts of this matter are not public, this action acts as a stark reminder that all company directors, including the directors of a special purpose company that acts as the trustee of an SMSF, must have a director ID.



20 MARCH 2024

## Superannuation Rates and thresholds for 2024-25

The ATO officially released the updated superannuation rates and thresholds for the 2024-25 financial year.

Refer to [our blog](#) for an outline of these new thresholds and some important reminders for SMSF practitioners to keep in mind as we head into the new financial year.

15 MARCH 2024

## Better targeted superannuation concessions (Division 296 Tax) - Draft regulations released

The Government released [Treasury Laws Amendment \(Measures for Future Instruments\) Instrument 2023: Better Targeted Superannuation Concessions](#) (draft regulations), to support implementation of the proposed Division 296 Tax.



These draft regulations contain provisions that enable the calculation of Division 296 tax for defined benefit interests, including:

- outlining methods to value defined benefit interests, and
- making modifications to the Division 296 earnings formula to appropriately capture notional contributions to defined benefit interests.

15 MARCH 2024

## Small Business Superannuation Clearing House (SBSCH) - Bank account verification

The ATO implemented an update to the Small Business Superannuation Clearing House (SBSCH) introducing SMSF bank account validation - aimed at bolstering the precision and security of superannuation contributions.

This change affects all small employers who use the SBSCH to pay superannuation to employees' SMSFs.



5 MARCH 2024



## Cost of living tax cuts Bill - Legislation passed

The [Treasury Laws Amendment \(Cost of Living Tax Cuts\) Bill 2024](#) received Royal Assent.

This bill amends the tax laws to modify income tax rate thresholds and tax rates for individuals for the 2024-25 and later financial years.

7 MARCH 2024

## Trustee Disqualifications

The December update of the [Disqualified Trustees Register](#) shows 149 trustees were added for the December 2023 quarter.

This brings the total number of disqualified trustees between 1 July and 31 December 2023 to 374.



7 MARCH 2024

## Superannuation on Paid Parental Leave

The Government announced its intention to pay [superannuation on Paid Parental Leave \(PPL\)](#) entitlements from 1 July 2025.

It is expected that details and costs relating to this measure will be released in the May budget.

23 FEBRUARY 2024

## ATO Statistics - SMSF quarterly statistical report (December 2023)

The ATO has published its SMSF quarterly statistical report for the [December 2023 quarter](#).

Once again, the report highlights a continued trend of steady growth in the number of SMSFs, with a net increase of 6,743 SMSFs in the December 2023 quarter.

Looking at the member demographics of the new funds established during the December 2023 quarter, around:

- 55% of members were male, and 45% female, and
- 46% had taxable income between \$80,000 and \$200,000, while only 12.5% had taxable incomes above \$200,000.

8 FEBRUARY 2024

## ATO Statistics - Annual SMSF Statistical Report

The Australian Taxation Office (ATO) has released its [annual statistical report](#) on Self-Managed Superannuation Funds (SMSFs) for the 2021-22 financial year.

Read [our blog](#) for our analysis of how recent legislative changes may have impacted on the SMSF sector, contributions, and membership structures.

Navigating your way through the evolving superannuation rules can be very complex, especially in the lead up to a member's retirement. If you have any questions, require assistance, or would like to discuss any of the above changes, please feel free to give me a call to arrange a time to discuss.

**The contents of this Super Update are taken to be correct at the time of publication on 4 April 2024.**

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