

CHARTERED ACCOUNTANTS

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6 September 2018

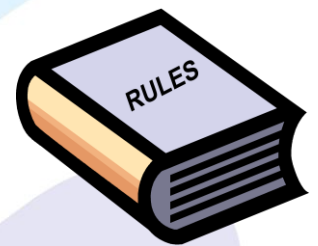
TRANSFER BALANCE ACCOUNT REPORTING (TBAR) UPDATE

With the advent of Event Based report for SMSF's as part of the substantial changes that applied from 1 July 2017 in the superannuation sphere, we are quickly moving towards real time financial reporting the SMSF sector.

In the past, SMSF's had annual reporting and Member Contribution Statement (MCS) reporting obligations, but we are now seeing a move to a more frequent reporting of specific events and in the main SMSF will be obliged to report member balances and certain event-based transactions to the ATO 28 days following a quarter end:

TBAR QUARTERLY LODGEMENT (TBA > \$1 million)

Quarterly Reporting Date	Deadline to Lodge TBAR
30 September	28 October
31 December	28 January
31 March	28 April
30 June	28 July



NOTE – If an SMSF does not lodge it's TBAR by the required date, the members TBA will be adversely affected and the member possibly penalized.

TBAR REPORTING DEADLINE

CONDITIONS	All Member TBA < \$1 mil	Any Member TBA > \$1 mil
Any Income Streams commenced prior to 1/7/2017	BY 30 JUNE 2018	BY 30 JUNE 2018
Reporting for Total Super Balances (From 1 July 2018) (when any member commences an income stream)	ANNUAL WITH SMSF TAX RETURN DUE	QUARTERLY – IN THE QUARTER THAT THE EVENT OCCURS FOR ALL MEMBERS

NOTE – When any individual member of an SMSF has a TBA greater than \$1 mil, then the SMSF needs to report any events affecting any members of that SMSF within 28 days (including members with less than \$1 mill TBA). Further once the reporting framework is set, the SMSF cannot move between annual and quarterly reporting due dates, regardless of fluctuations in the super balances.

TRANSFER BALANCE ACCOUNT (TBA) – Represents the members individual super balance whether in pension or accumulation phase and can include special calculations for



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Defined Benefit, MLIS, Life time pensions etc which can indirectly impact your Transfer Balance Cap (TBC). Trustees are expected to take a reasonable approach to assess their members TBA when determining whether it is annual or quarterly reporting. Please be careful where your super balances are across multiple funds.

EVENT BASED REPORTING TO ATO

An SMSF must report events (amount and type of income stream) that affect a member's transfer balance including:

- details of income streams in play as of 30 June 2017 which continue to be paid by the SMSF after 1 July 2017;
- details of new retirement phase and death benefit income streams (for reversionary death benefit income streams, the start date will be the date of the deceased);
- details of some Limited Recourse Borrowing Arrangements (LRBA) payments;
- compliance with a commutation authority issued by the ATO;
- details of any personal injury structured settlement contributions received;
- details of commutations of retirement phase income streams occurring on or after 1 July 2017



EVENTS NOT REQUIRED TO BE REPORTED TO ATO

Events which do not need to be reported include

- any pension payments made on or after 1 July 2017;
- investment earnings and losses that occurred on or after 1 July 2017;
- when an income streams ceases because the members benefit has been exhausted;
- death of a member
- information that the ATO receives from other Funds, such as members interest in an APRA fund

REPORTING SOONER THAN ANNUAL OR QUARTERLY

Where a member exceeds their TBC, you **MUST** report the following events sooner:

- a voluntary member commutation of an income stream in response to an excess transfer balance determination must be reported within 10 business days after the end of the month in which a commutation occurs;
- responses to commutation authorities must be reported within 60 days of the date of the commutation authority is issued.
- If an SMSF member intends to roll their super balance into an APRA regulated fund and start an income stream there.





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SC ACCOUNTING - WHAT CAN WE DO TO ASSIST YOU?

In light of “real time” SMSF reporting, SMSF trustees, especially sizeable SMSF with substantial TBA will need to be focused on certain events and be prepared to report these events on a regular basis throughout the year. No longer can SMSF trustees rely on annual reporting to the ATO.

Furthermore, with the advent of real time reporting becoming a reality, the days of providing bank statements, dividend advices and capital gains reports on an annual basis is closing fast. In order to assist our valued clients, we operate compliant SMSF specialist software which is able to be downloaded from reliable sources such as Banks, Stock Brokers and ASX reporting which alleviates the need for manual transaction coding. By agreeing to allow us access to online bank and share transactions, we are able to fast track the coding process. We understand that your desire for data security and to that end very secure access protocols are made available between your Financial Institutions and that of our software provider BGL. BGL is arguably the leading superannuation administration software player in the market to date.



SMSF SOLUTION

We have the superannuation solution to assist you in not only meeting your TBAR obligations, but also to provide you with real time financial reports at your fingertips. Should you be interested in our SMSF reporting solution, we can offer the real time SMSF reporting that you lack at present. For a no obligation review with this SMSF reporting solution, please do not hesitate to contact Mr Steven Creelman at SC Accounting.

FINANCIAL ADVISORY

In addition to this very important SMSF reporting solution, our team at SC Accounting, headed by Mr Steven Creelman, a chartered accountant with an Advanced Diploma in Financial Planning, SMSF Specialisation and Financial Advisory license, can service your financial and investment needs. Please call us today on (03) 9 569 7516 for a no obligation investment review of your portfolio or investment and retirement plans.



In concert with our strategic partnership with Akambo Financial Planning Group, we work harder to get you a superior return with access to financial markets beyond ASX. We specialize in wealth management opportunities with Australian and International exposure, Fixed Income opportunities and direct market holdings, not through managed funds.



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