



SUPER CHANGES IMPACTING SMSFs

Some people may need to make sure their self managed superannuation funds (SMSF) are complying with changes to the investment rules that take effect after 30 June 2009 – less than five months away.

Is my SMSF at risk?

These changes may catch some SMSFs unaware because they go back to 1999 and have taken until now to come into effect for some SMSFs.

As you are already aware, there are a number of investment restrictions preventing an SMSF from borrowing and entering into a range of transactions with related parties.

Prior to 11 August 1999, SMSFs were able to invest in entities such as unit trusts, which in turn could enter into transactions that were not strictly within the investment rules applying to the SMSF.

Even though these arrangements were closed off effective from 11 August 1999, transitional rules were put in place that allowed SMSFs to:

- continue to hold pre-11 August 1999 unit trust and company investments; and
- increase the value of these investments until 30 June 2009.

Do I need to do anything?

If your SMSF was around before 11 August 1999, you need to get advice about whether these changes impact on your fund and what you may need to do to ensure your SMSF remains compliant with the superannuation laws after 30 June 2009.

Should you require any further information or would like to make an appointment to discuss the above please do not hesitate to contact Michelle Pearce, John Fara or Chris Rutter on (02) 9555 1309.

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