



How to complete a rollover benefits statement

Use these instructions to complete a *Rollover benefits statement* (NAT 70944).

WHO SHOULD USE THESE INSTRUCTIONS?

You should use these instructions if you:

- are a trustee of a super fund, and
- need to roll over a benefit payment for a member using a *Rollover benefits statement* (NAT 70944).

! If a member asks you to roll over parts of their entitlement to more than one fund, you must complete separate statements for each rollover payment.

— Your member may commute a super income stream paid to them because of the death of another person. The resulting commutation lump sum may only be rolled over if the person was their spouse at the time of death. In some instances the commutation lump sum payable to a spouse will be a super death benefit that cannot be rolled over.

HOW DO I COMPLETE THE ROLLOVER BENEFITS STATEMENT?

SECTION A: RECEIVING FUND'S DETAILS

Complete the details of the super fund receiving the rollover payment, including their:

- Australian business number (ABN), and
- superannuation product identification number (SPIN), or
- member account number.

SECTION B: MEMBER'S DETAILS

Complete the details of the member you are rolling over the payment for.

! If the payment is from contributions-splitting for a spouse, you must provide the details of the spouse receiving the payment.

SECTION C: ROLLOVER PAYMENT DETAILS

12 Service period start date

Enter the first day of the service period.

The service period start date is usually:

- the first day of the first period of employment that the lump sum relates to if the member was employed when some or all of the lump sum accrued, or
- the earlier of the following if the member was not employed when some or all of the lump sum accrued
 - the date when the individual joined the fund, or
 - where the lump sum is attributable to an earlier lump sum previously rolled over, the first day of the service period of the earlier lump sum.

13 Rollover components

Complete the tax-free and taxable components.

The tax-free component consists of the crystallised and contributions segments of the benefit.

The taxable component is the total amount of the benefit, less the tax-free component. It includes the:

- element taxed in the fund, and
- element untaxed in the fund.

⚠ The untaxed element amount cannot exceed \$1 million. You must withhold from any amount in excess of \$1 million at the top marginal tax rate plus medicare levy. The part of the excess that remains (after the withholding tax), is added to the tax-free component of the rolled over amount.

EXAMPLE

On 5 October 2007, Tom asks his fund to roll over his super interest of \$1.5 million that is an untaxed element. The payer must withhold tax of \$232,500 which is 46.5% of the \$500,000 in excess of \$1 million.

The amounts reported will be \$267,500 at the 'tax-free component' label and \$1 million at the 'element untaxed in the fund' label.

14 Preservation amount

Complete the:

- preserved amount
- restricted non-preserved amount, and
- unrestricted non-preserved amount.

15 Contributed amounts

Complete the 'financial year ending' label. This refers to the last day of the financial year in which the rollover is made.

Complete the following labels for contributions made during the current financial year:

- employer contributed amount
- personal contributed amount
- capital gains tax (CGT) cap election amount
- personal injury election amount
- spouse contributions amount
- other family and friend contributions amount
- directed termination payments (taxable component) amount
- assessable foreign fund amount
- non-assessable foreign fund amount
- transferred from reserves amount, and
- all contributions received for the current year.

These contributions are explained below.

15a Employer contributed amount

This amount includes contributions made by an employer on behalf of an employee (the member) to an accumulation or defined benefit fund.

At this label, include:

- employer contributions made to an accumulation account on behalf of employees to meet super guarantee, award or other obligations
- amounts salary sacrificed in an arrangement where the employee agrees to forgo part of their future salary or wages in return for their employer providing a super benefit of a similar value
- superannuation guarantee charge (SGC) and the taxable component of any superannuation holding accounts special account (SHAsa) amounts, we transferred to you on behalf of the member, and

- notional taxed contributions for a defined benefit account equal to the
 - actuarial value of the notional taxed contributions, if the
 - actuarial value of the notional taxed contributions is less than or equal to the concessional contributions cap
 - defined benefit account commenced after 5 September 2006, or
 - member does not qualify for the transitional provision.
 - concessional contributions cap, if the
 - member held the defined benefit account on 5 September 2006
 - actuarial value of the notional taxed contributions was greater than the concessional contribution cap, and
 - member qualifies for the transitional provision.

➤ For more information about how a member qualifies for the transitional provision for a defined benefit interest, refer to *Defined benefit funds* (NAT 70647).

Do not include:

- contributions made by an employer from the ‘take home pay’ of their employee (these are reported as personal contributed amounts), or
- last minute employer contributions, received by a public sector super scheme (these are only included in the total contributed amount).

15b Personal contributed amount

This amount is all personal contributions made by the member directly into their account. Include at this label:

- contributions made by an employer from the ‘take home pay’ of their employee
- contributions a member has made directly to you including those the member has claimed or can claim as a tax deduction and those the member has not claimed or cannot claim as a deduction
- contributions arising from a personal injury payment that are not reported at the ‘Personal injury election amount’ label, and
- capital gains tax amounts that are not reported at the ‘Capital gains tax (CGT) cap election amount’ label.

Do not include:

- a directed termination payment
- a rollover super benefit
- super lump sum from a foreign super fund or scheme, or
- contributions made by the member’s spouse, other family members or friends.

15c Capital gains tax (CGT) cap election amount

Include at these labels the CGT cap election amounts for the:

- small business retirement exemption amount, and
- small business 15-year retirement exemption amount.

The small business retirement exemption amount can include up to \$500,000 of capital gains that are disregarded under the CGT small business retirement exemption.

The small business 15-year retirement exemption amount can include the capital proceeds from the disposal of assets that:

- qualify for the small business 15-year exemption, or
- would qualify for the small business 15-year exemption, except
 - they were pre-CGT assets
 - there was no capital gain, or
 - the 15 year holding period was not met because of the permanent incapacity of the person (or a controlling individual of a company or trust).

These contributions are excluded from the non-concessional contribution cap. A lifetime limit of \$1 million (indexed annually from 2008–09) applies.

⚠ Any amounts reported at this label should not be reported at the ‘Personal contributed amount’ label.

15d Personal injury election amount

This amount includes personal injury payment amounts that have been elected to be excluded from the non-concessional contribution cap.

The amounts you include at this label must arise from:

- a structured settlement payment
- an order for a personal injury payment, or
- a lump sum workers compensation payment.

Amounts reported here should not be reported at the ‘Personal contributed amount’.

⚠ Any personal injury amounts not elected to be excluded are to be reported at the ‘Personal contributed amount’ label.

15e Spouse and child contributions amount

Include at this label contributions made by a spouse.

A member's spouse can make a contribution to the member's account. The contribution amount is reported on the statement for the member who received the contribution.

Also include at this label contributions made for a member who is under the age of 18 that are not made by the member or by (or on behalf of) the member's employer.

! Do not include contributions here if the spouses have separated and are living apart on a permanent basis.

15f Other family and friend contributions amount

Super contributions can be made by anyone on behalf of a member.

Include at this label contributions made for your member by any of the following:

- a spouse living separately and apart on a permanent basis from your member
- a parent, child or other relative
- a friend, or
- any other third party (other than an employer or a spouse who is living with your member).

! Do not include contributions here if:

- those contributions are included in any label other than the 'All contributions for the current year' label, or
- the contributions are made for a person under the age of 18.

15g Directed termination payments (taxable component) amount

This is a transitional termination payment the member directs the payer to make to a complying super plan or use to purchase a super annuity.

! Only include at this label the taxable component of the directed termination payment.

➔ For more information about directed termination payments, refer to *Employment termination payments – transitional arrangements* (NAT 70644).

15h Assessable foreign fund amount

This is the amount transferred from a foreign super fund or scheme that exceeds the amount that was vested in the member, at the time of transfer.

! At this label, do not report the part of the amount transferred from a foreign super fund or scheme that does not exceed the amount that was vested in the member, at the time of transfer. That amount is reported at the 'Non-assessable foreign fund amount' label.

15i Non-assessable foreign fund amount

This is the amount transferred from a foreign super fund or scheme that is not included in the assessable income of your fund.

A part of a super lump sum from a foreign super fund or scheme is included in the assessable income of your fund if:

- the amount transferred to the fund exceeds the amount that was vested in the member in the foreign super fund or scheme at the time of the transfer (this amount is reported at the 'Assessable foreign fund amount' label), or
- the member has chosen to have an amount included in your fund's assessable income. In general terms, this amount reflects the investment earnings of the foreign fund or scheme that accrued while the member was an Australian resident (this amount is only reported at the 'All contributions received for the current year' label).

EXAMPLE

David had AU \$50,000 in an overseas super fund when he became an Australian resident. Four years later, the earnings on the fund were AU \$8,000 giving a total balance of AU \$58,000. David transfers AU \$60,000 to an Australian fund, that is, AU \$2,000 more than the amount vested in him at the time of the transfer.

David chooses to have the AU \$8,000 included in the assessable income of his Australian fund. It is taxed at 15%. This amount is only reported as part of the entire AU \$60,000 at the 'All contributions received for the current year' label.

The fund's assessable income also includes the AU \$2,000 that was not vested in David at the time of the transfer. This amount is reported at the 'Assessable foreign fund amount' label.

The AU \$50,000 is reported here at label 14i Non-assessable foreign fund amount.

15j Transferred from reserves amount

Assessable amount

This is the amount that is taken to be a concessional contribution because you allocated an amount to the member's account from a reserve. The amount taken to be a concessional contribution may be greater than the amount actually allocated.

➤ For more information about the amount, refer to regulation 292-25.01 of the *Income Tax Assessment Regulations 1997* (ITA Regulations).

Non-assessable amount

This is the amount that is taken to be a non-concessional contribution because you allocated an amount to the member's account from a reserve.

➤ For more information about the amount, refer to regulation 292-90.01 of the ITA Regulations.

15k All contributions received for the current year

This is the total contributed amount received/credited for or otherwise attributed to the member's account for the relevant financial year before any tax or expenses are debited to the member's account.

Include at this label:

- contributions reported at labels **a** to **j**, and
- other contributions received by the member but not reported at any of the other labels, such as
 - co-contributions received by the member
 - tax-free component of a directed termination payment
 - the amount that a member has chosen to have included in your fund's assessable income from a lump sum super benefit from a foreign super fund or scheme, and
 - last minute employer contributions received by a public sector super scheme.

⚠ Do not include at this label an amount credited to a member's account from a contributions-split for a spouse. That is shown at the 'Rollover component amount' label.

SECTION D: YOUR DETAILS

Complete section D by providing your details as the payer of the rollover. Include your signature and the date.

⚠ You do not need to send a copy of the statement to us however, you must keep a copy for your records for a period of five years.

➤ SEND:

- the statement to the receiving fund (or elsewhere if instructed) within seven days of paying the rollover payment, and
- a copy of the statement to the individual within 30 days of paying the rollover payment to the receiving fund.

➤ MORE INFORMATION

For copies of our publications or for more information:

- visit our website at **www.ato.gov.au**
- phone **13 10 20** between 8.00am and 6.00pm, Monday to Friday
- obtain a fax by phoning **13 28 60**, or
- write to us at:
PO Box 3100
PENRITH NSW 2740

If you do not speak English well and want to talk to a tax officer, phone the Translating and Interpreting Service on **13 14 50** for help with your call.

If you have a hearing or speech impairment and have access to appropriate TTY or modem equipment, phone **13 36 77**. If you do not have access to TTY or modem equipment, phone the Speech to Speech Relay Service on **1300 555 727**.

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If correcting the mistake means we owe you money, we will pay it to you. We will also pay you any interest you are entitled to.

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If you feel this publication does not fully cover your circumstances, please seek help from the Tax Office or a professional adviser.

The information in this publication is current at May 2007.

We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for a more recent version on our website at www.ato.gov.au or contact us.

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PUBLISHED BY

Australian Taxation Office
Canberra
May 2007
JS 8090