BCG
Accountants & Business Advisers

SMSF News and Strategies Series

Presented by:
Chris Reed, Director of Business Concepts Group
CPA, FPS SMSF Specialist Advisor

Guest Host:
Sarah Power, Director of Business Concepts Group
specialising in Financial Planning and Accounting

Episode 51 – The Latest SMSF News and Pension Strategies Under the New Super Rules

In this episode, we have a quick discussion on the latest SMSF news and then comer some pension strategies in light with the super rules especially the transition to retirement (TTR) strategy and the ability to run a TTR strategy without using a transition to retirement pension. There are some pension strategies that worked in the past that might now not work with the new rules, or may need to be updated.

- New transfer balance cap – 1.6 million dollars, new reporting requirements.
  - Current discussions re the timing, but reporting is required from 1st July 2018.
- Make sure valuations are in order in relation to the 1.6 million dollar cap and the CGT Relief.
- TTR strategy
- Since 1st July TTR are now taxed at 15%.
- The same strategy can be applied to those over age 60 who have met a condition of release
- Working with the new contribution limits, as well as the 1.6 million cap, especially if using non-concessional contributions.
- Two parts to the strategy – one is the immediate tax benefits.
- Second part is re-contribution strategy – turning taxable component into tax free
- Removal of anti-detriment payment

Those with existing TTR pensions should review the tax effectiveness. You may need to decide whether to cease it or keep it going. Can they be converted to account based pensions? Those over 60 who have met a condition of release should seek advice to discuss a pension strategy, a re-contribution strategy, equalisation strategies, and converting your balance to unrestricted non-preserved. We are happy to talk with you about your super and your circumstances so please contact us via our website www.buscgroup.com.au.