

# SMSF News and Strategies Series

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## Presented by:

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## Episode 53 – Estate Planning in Light of the New Super Rules.

In this episode, we will have a quick look at some current SMSF news and then we are going to discuss estate planning for an SMSF and particularly in relation to the new super rules.

### Key points:

- New transfer balance cap
  - \$1.6 million and new reporting requirements.
- Estate planning generally
  - Super does not automatically form part of your estate.
- Control of the fund is critical.
  - Trustee – Sole purpose corporate trustee, please refer to episode SMSF episode 49 for discussion on the numerous reasons to have one.
  - Deed – Up to date and know what it says. What can you do? BDBN, reversionary pensions? Which takes precedent? What happens on death or in capacity of a member/trustee?
- Changes
  - Transfer balance cap – reversionary pension counted towards survivors cap (12 months after date of death)
  - Death benefits excess needs to be paid out as lump sum.
  - Death benefits can no longer be rolled back to accumulation.
  - If deceased in accumulation children can only receive pension up to the \$1.6m cap. (Children up to age of 18 or age 24 if financially dependent)
  - If deceased in accumulation – children not subject to cap
- DBN and pension documentation
  - Must review and ensure still current with wishes and circumstances
  - Ensure all are executed correctly

With the latest changes it is also a reminder for trustees that their estate plans need to be both legally effective and tax efficient. The changes have also reinforced the need to keep your fund up to date. We are happy to talk about your super and your circumstances, contact us via our website [www.buscgroup.com.au](http://www.buscgroup.com.au) and we can give you a call.