

EXPOSURE DRAFT

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Inserts for
**Tax and Superannuation Laws
Amendment (2015 Measures No. 4) Bill
2015: Choice of fund requirements**

Commencement information

Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Schedule #	1 July 2015.	1 July 2015
2.		
3.		

EXPOSURE DRAFT

1 Schedule #—Choice of fund requirements

2 Part 1—Temporary residents

3 *Superannuation Guarantee (Administration) Act 1992*

4 **1 After subsection 32C(2A)**

5 Insert:

6 (2AA) Paragraph (2)(ba) does not apply if the employee is, within the
7 meaning of the *Migration Act 1958*, the holder of a temporary visa.

8 **2 At the end of section 32NA**

9 Add:

10 (11) An employer is not required under section 32N to give an
11 employee a standard choice form if the employee is, within the
12 meaning of the *Migration Act 1958*, the holder of a temporary visa.

13 **3 Application of amendments**

14 If:

- 15 (a) an employee commences employment before the
16 commencement of this Part; but
17 (b) the 28 day period referred to in subsection 32N(2) of the
18 *Superannuation Guarantee (Administration) Act 1992* ends
19 after that commencement;

20 the amendments made by this Part are taken to have applied, in relation
21 to that employee, from the commencement of that employment.

EXPOSURE DRAFT

1 Part 2—Transfers to successor funds

2 *Superannuation Guarantee (Administration) Act 1992*

3 4 Paragraph 32C(2)(ba)

4 Omit “either”.

5 5 Subparagraph 32C(2)(ba)(ii)

6 Omit “and” (last occurring), substitute “or”.

7 6 At the end of paragraph 32C(2)(ba)

8 Add:

- 9 (iii) meets the requirements to be a successor default fund
10 under subsection (2AB) of this section; and

11 7 Before subsection 32C(2B)

12 Insert:

13 (2AB) For the purposes of subparagraph (2)(ba)(iii), a fund (the *new*
14 *fund*) meets the requirements to be a successor default fund if:

- 15 (a) the employee’s interest in a fund (the *original fund*) is
16 transferred to the new fund without the consent of the
17 member; and
18 (b) the original fund is a fund:
19 (i) to which subparagraph (2)(ba)(i) applies; or
20 (ii) to which subparagraph (2)(ba)(ii) applies, or would have
21 applied if the transfer had not occurred; and
22 (c) the new fund is a successor fund (within the meaning of the
23 *Income Tax Assessment Act 1997*) in relation to the transfer.

24 8 At the end of Division 4 of Part 3A

25 Add:

26 32J A successor fund may become a chosen fund

27 For the purposes of this Act, if:

- 28 (a) an employee’s interest in a superannuation fund (the *original*
29 *fund*) is transferred to another superannuation fund without
30 the consent of the member; and
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EXPOSURE DRAFT

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- 1 (b) the other fund is a successor fund (within the meaning of the
2 *Income Tax Assessment Act 1997*) in relation to the transfer;
3 and
4 (c) immediately before the transfer takes effect, the original fund
5 was a chosen fund for the employee; and
6 (d) at the time the transfer takes effect, the other fund:
7 (i) is an eligible choice fund; and
8 (ii) is a fund to which the employer can make contributions
9 for the benefit of the employee;
10 from the time the transfer takes effect, the other fund is taken to be
11 a chosen fund for the employee, and the original fund is taken no
12 longer to be a chosen fund for the employee.

13 **9 After subsection 32NA(1)**

14 Insert:

- 15 (1A) An employer is not required under section 32N to give an
16 employee a standard choice form if:
17 (a) the employer is making contributions of a kind mentioned in
18 subsection 32C(2) for the benefit of the employee; and
19 (b) the fund to which the contributions are made meets the
20 requirements to be a successor default fund under
21 subsection 32C(2AB).

22 **10 Application of amendments**

23 This Part applies in relation to transfers of interests in superannuation
24 funds that occur on or after 1 July 2015.