



Australian Government

The Treasury

PENALTIES FOR PROMOTERS OF ILLEGAL EARLY RELEASE SCHEMES

SUMMARY OF CONSULTATION PROCESS

The Government announced on 14 December 2013 that it would introduce civil and criminal sanctions for a person who promotes a scheme that has resulted, or is likely to result, in the illegal early release of superannuation benefits.

This measure was included in Tax and Superannuation Laws Amendment (2014 Measures No.1) Bill 2014, which was introduced into Parliament on 26 February 2014.

This measure was previously introduced into Parliament on 29 November 2012 as Schedule 1 to the Superannuation Legislation Amendment (Reducing Illegal Early Release and Other Measures) Bill 2012.

Consultation process

On 6 November 2013, the Government announced a consultation process to deal with 92 unlegislated tax and superannuation measures that had been announced by the former government. The Assistant Treasurer Senator the Hon Arthur Sinodinos AO, with assistance from the Board of Taxation, undertook consultation with tax experts on whether or not to proceed with the measures, which included the measure to introduce penalties for promoters of illegal early release schemes. The outcome of the consultation process, which recommended this measure proceed, was announced 14 December 2013.

Consultation on the draft 2012 legislation was conducted between 20 August and 14 September 2012. Four submissions were received.

Submissions can be viewed on the [Treasury website](#).

Summary of key issues

Submissions received during consultation on the draft legislation in 2012 strongly supported the introduction of sanctions for promoters of illegal early release. The explanatory memorandum was amended to address minor interpretive issues identified during consultation.