



AUSTRALIAN INSTITUTE of  
SUPERANNUATION TRUSTEES

5 February 2021

Board of Taxation Secretariat  
The Treasury  
Langton Crescent  
PARKES ACT 2600

**Email:** [cgtrollovers@taxboard.gov.au](mailto:cgtrollovers@taxboard.gov.au)

Dear Sir/Madam,

**Re: Review of CGT Roll-overs**

**In brief: AIST submits that the current CGT roll-over relief provisions should be revised to capture the unique range of corporate structures in superannuation.**

### **About AIST**

The Australian Institute of Superannuation Trustees (“AIST”) is a national not-for-profit organisation whose membership consists of the trustee directors and staff of industry, corporate and public sector superannuation funds.

As the principal advocate and peak representative body for the \$1.4 trillion profit-to-members superannuation sector, AIST plays a key role in policy development and is a leading provider of research.

AIST advocates for financial wellbeing in retirement for all Australians regardless of gender, culture, education, or socio-economic background. Through leadership and excellence, AIST supports profit-to-member funds to achieve member-first outcomes and fairness across the retirement system.

### **General comments**

AIST welcomes the Board of Taxation’s review of capital gains tax roll-overs and appreciate the opportunity to make a submission on the second phase of the consultation.

AIST supports the existing CGT roll-over relief for superannuation fund mergers and notes that any further reforms to the CGT roll-over regime should not create barriers to superannuation fund mergers in the future and consider the range of corporate structures in superannuation.

## **Specific comments**

### ***Transfer of sub-plans***

AIST submits that that the CGT-roll over relief should be broadened for activities undertaken by superannuation funds outside of a fund merger. Specifically, the current CGT roll-over relief framework is deficient in scenarios where sub-plans are transferred between superannuation funds. In this scenario, fund members are disadvantaged from realizing certain tax efficiencies that would have otherwise been available had a whole fund merger occurred.

AIST endorses the position expressed by other submissions on this issue in the first consultation that propose Division 310 of the *Income Tax Assessment Act 1997* (Cth) be enhanced to provide tax relief in this scenario.

### ***Asset reorganisation***

AIST submits that the current CGT roll-over relief framework needs to be broadened to better accommodate for the commercial requirements of superannuation funds. The relief provisions should be broadened to provide greater flexibility for superannuation funds to undertake asset holding reorganisations more efficiently. This would enable greater efficiencies within the superannuation system that would directly benefit fund members.

AIST and its members would appreciate the opportunity to work with the Tax Board on how the current relief provisions could be amended to better accommodate superannuation fund structures.

For further information regarding our submission, please contact Samuel Lynch at [slynch@aist.asn.au](mailto:slynch@aist.asn.au).

Yours sincerely,



Eva Scheerlinck  
**Chief Executive Officer**