

## Table of Contents

<b>Publisher</b>	<b>i</b>
<b>Disclaimer &amp; Copyright</b>	<b>i</b>
<b>About the Author</b>	<b>i</b>
<b>Forward</b>	<b>ii</b>
Contact Details	ii
<b>Acknowledgements</b>	<b>iii</b>
<b>1. Introduction</b>	<b>1</b>
How To Use This Book	1
Important Notes About This Edition	2
<b>2. What Is Superannuation?</b>	<b>3</b>
An investment or investment structure?	4
Is superannuation only popular because of its tax advantages?	4
Why has government given superannuation these tax concessions?	5
<i>Economic Growth In Australia — A 40 Year Projection</i>	6
Small Super Funds in Australia – A Brief History	7
Why Do The Super Rules Change So Rapidly?	9
<i>Investors Must Be Attentive</i>	10
Comparing Superannuation With Other Structures	10
<i>Assets Held In Individual's Name</i>	11
<i>Company</i>	11
<i>Family Trust</i>	12
<b>3. How Is Super Structured And Regulated?</b>	<b>15</b>
A Trust Structure	15
What Should Be In A Self Managed Super Fund Governing Rules?	16
Are The Governing Rules Really That Important For A Self Managed Super Fund?	18
<i>"But All I Need Is A Good "General Compliance Clause"</i>	19
How Do You Tell Good Trust Deeds And Governing Rules From Bad Ones?	20
How Often Should Trust Deeds Be Amended?	21
<i>General Compliance Clauses and Catch-all Clauses</i>	21
How Should Trust Deeds Be Amended?	24
<i>Traditional Ad-Hoc Method</i>	24
<i>The Clause-By-Clause Method</i>	25
<i>Fully Automatic Update Service</i>	25
<i>Semi-Automatic Update Service</i>	27
<i>Manual Regular Update Service</i>	27
How Should Trust Deeds Be Amended And Who Should Do The Work?	28
<i>Cooper Review Recommendations</i>	28
Legal Framework	29
Regulators – ATO, ASIC, APRA	30
<i>What Information Does The ATO Release To Assist Super Fund Trustees And Their Advisers?</i>	30
<b>4. Trustees, Trust Assets, Members And Other Potential Beneficiaries</b>	<b>34</b>
Who Can Be Self Managed Super Fund Trustees And Members?	34
<i>Single Member Funds</i>	34
<i>Children Under 18</i>	35
<i>The Incapacitated</i>	35
<i>The Disqualified</i>	35
<i>Why Are Self Managed Super Funds Limited to Four Members?</i>	36
<i>Enduring Powers Of Attorney</i>	36
<i>Limitations On Who Can Be Members Of The Same SMSF</i>	38

## Table of Contents

<i>Some Death Benefit Issues</i>	39
<i>Trustees And Members No Longer Meet SMSF Definition</i>	40
No Remuneration	40
What Type Of Trustee – Individuals Or Incorporated Company	41
<i>Old Age Pensions</i>	41
<i>The Potential Risks Of Individual Trustees</i>	42
<i>Individual Trustees and the ASX Chess System</i>	42
<i>Problems With Dual Purpose Company Trustees</i>	43
<i>Why Using A Sole Purpose Corporate Trustee Might Make Better Sense Over The Longer-Term</i>	43
The Difference Between Self Managed Superannuation Funds And <i>Small APRA Funds</i>	44
When Using A <i>Small APRA Fund</i> Might Be The Only Option	45
When Using A <i>Small APRA Fund</i> Might Be A Better Option	45
Moving From A Self Managed Super Fund To A SAF	45
Trustee Disputes	46
<i>Corporate Trustees</i>	46
<i>Individual Trustees</i>	47
Trustee's Fiduciary Duties & Responsibilities	48
<i>Duties Upon Accepting The Trust</i>	51
<i>Basic Duties</i>	51
<i>Duty To Preserve Trust Property</i>	52
<i>Duty To Insure Trust Property</i>	52
<i>Duty To Properly Invest The Trust Fund</i>	52
<i>Duty Not To Profit Or Benefit</i>	52
<i>Duty Of Loyalty</i>	53
<i>Duty To Keep Accounts And Supply Information</i>	53
<i>Duty To Act Personally</i>	53
<i>Duty To Consider</i>	54
<i>Duty To Act Impartially Between Beneficiaries</i>	54
Trustee Powers	54
<i>Powers Of Sale</i>	54
<i>Powers Of Management</i>	54
Trustee Rights And Liabilities	55
<i>Right Of Reimbursement And Indemnity</i>	55
<i>Right To Reimbursement From Beneficiaries</i>	55
<i>Right To Reimbursement And Indemnity From The Assets Of The Trust</i>	55
<i>Right Of Contribution</i>	55
<i>Right To Impound A Beneficiary's Interest</i>	55
<i>Right To Obtain The Opinion, Advice And Direction Of The Court</i>	56
Liability Of A Trustee	56
<i>Liability Of Directors Of Corporate Trustees</i>	56
<i>Relief Of Trustees From Liability</i>	57
<i>Lapse Of Time</i>	57
Appointment, Resignation and Removal of Trustees	57
<i>A Trustee Can Only Hold That Position If They Have Agreed To Be Appointed</i>	58
<i>Keeping Records On Changes To Trustees</i>	58
<i>Registering Changes To Trustees</i>	58
Super Fund Trustee Covenants	58
<i>Exercise Duties And Powers In The Best Interests Of All Beneficiaries</i>	59
<i>Cooper Review Recommendations</i>	59
Super Fund Trustee Responsibilities	59
Duty To Notify Significant Adverse Events	60
<b>5. Some Useful Background Information</b>	<b>61</b>
How Is The Income Tax System Structured?	61
<i>Assessable Income</i>	61
<i>Allowable Deductions</i>	61
<i>Taxable Income</i>	62
Tax Payable	62
<i>Tax Credits/Rebates/Tax Offsets</i>	62

<i>Some Special Notes About Franking Credits</i>	62
What Are Super Law "Operating Standards"?	66
<i>Penalties For Non-Compliance With An Operating Standard</i>	67
How Does The Super Legislation Seek To Deal With People Who Don't Follow The Law And What Penalties Can The Regulator Impose?	67
<i>Non-Self Managed Super Funds Compliance Test</i>	67
<i>Compliance Test For Self Managed Super Funds</i>	68
<i>Tax Penalties</i>	71
<i>Other Penalty Options</i>	71
Member Protection Standards	72
<b>6. Getting Money Into The Super System</b>	<b>73</b>
Rules That Allow Contributions To Be Made	73
<i>Proving You Are 'Gainfully Employed'</i>	76
<i>The Three Year in Advance Rule</i>	76
<i>Proposed Henry Review Changes To Contribution Rules</i>	78
What Is A Superannuation Contribution?	78
When is a super contribution deemed to have been made?	79
<i>Credit card transactions</i>	80
<i>Contributions by cheque</i>	81
<i>In specie Contributions</i>	81
<i>Other Contribution Types</i>	82
<i>Clearing Houses For Employer Super Contributions?</i>	83
<i>What Happens When A Contribution Deadline Arrives On A Saturday, Sunday Or Gazetted Public Holiday?</i>	83
How Are Super Contributions Taxed?	84
<i>Personal Super Contributions Not Claimed As A Tax Deduction</i>	84
<i>Personal Super Contributions Claimed As A Tax Deduction</i>	85
<i>In-specie Contributions</i>	88
<i>Concessional Contributions</i>	94
<i>Employer Superannuation Contributions</i>	97
<i>Excess Concessional and Non-Concessional Contributions</i>	98
<i>Personal Services Income Provisions</i>	102
<i>Special Rules About Salary Sacrifice Arrangements</i>	103
<i>Fringe Benefits Tax</i>	107
<i>Small Business Capital Gains Concessions And Contributions</i>	107
<i>Fund Expense Payments Deemed To Be Contributions</i>	107
Employer Termination Benefits	109
<i>Unused Annual &amp; Long Service Leave</i>	109
<i>Tax-Free Bone-Fide Redundancy Or Approved Early Retirement Scheme Payments</i>	110
<i>All Other Termination Payments</i>	110
<i>Thresholds For Life</i>	112
<i>Indexation</i>	113
<i>Strategies</i>	113
<i>Proposed Change by Australia's Future Tax System Review</i>	113
Transferring Your Large Super Fund Account Balance To An SMSF	113
Transferring Money From Overseas Super Funds Or Retirement Plans	115
<i>Transfers from UK Pension Schemes</i>	118
<i>Transfers to and from New Zealand</i>	118
<i>Summary of issues to consider be transferring retirement fund monies into Australia</i>	119
Indexation	119
<b>7. Investing Super Fund Assets</b>	<b>122</b>
Why Hold An Asset In A Super Fund?	122
Investment Strategy	123
<i>Four Step Guide To Creating An SMSF Investment Strategy</i>	123
Sole Purpose Test (SPT)	129
<i>Auditors Review Of The Sole Purpose Test</i>	132
<i>Shareholder Discount Cards</i>	138
<i>Using Superannuation For Business Succession Purposes</i>	138

## Table of Contents

<i>Using Superannuation For Long-Term Health Care Funding</i>	139
Providing Financial Assistance To Fund Members & Relatives	140
Super Funds Borrowing Money	141
<i>Contracts For Difference</i>	142
<i>Instalment Warrant Structures</i>	144
Derivative Risk Statements	161
In-house Assets ("IHAs")	162
<i>The Super Law Restrictions</i>	162
<i>Related Parties</i>	162
<i>When Is An Asset Classed As An In-House Asset?</i>	163
<i>In-House Asset Exemptions</i>	164
<i>The IHA Market Value Test</i>	169
<i>What Must Trustees Do When They Breach The IHA MV Test?</i>	169
<i>New IHA Investments If 5% Limit Already Exceeded</i>	171
<i>Anti-Avoidance Provisions</i>	171
<i>Some Words Of Warning</i>	171
<i>Cooper Review Recommendations</i>	171
Acquiring Assets From Related Parties	171
<i>Assets A Super Fund Can Acquire From Related Parties</i>	172
<i>Assets A Super Fund Cannot Acquire From Related Parties</i>	173
<i>Anti-Avoidance Provisions</i>	173
<i>Arm's Length</i>	173
<i>Penalties For Breaching</i>	173
<i>Cooper Review Recommendations</i>	173
Running A Business In A SMSF	174
Business Real Property (BRP)	177
<i>Residential Property As Business Real Property</i>	178
<i>Land Development Including Land Development Businesses</i>	180
<i>Vacant Land As Business Real Property</i>	182
<i>Residential Property Transactions And The GST</i>	184
General Property Issues	186
Art-Work, Collectibles And So On	187
<i>New Legislation</i>	188
<i>Regulations for Post June 2011 Artwork and Collectible Investments</i>	188
Joint Ventures	189
Environmental, Social And Governance Investing	191
Reserving	193
<i>What Are Reserves?</i>	194
<i>Why Do Reserves Automatically Appear For Non-Market Linked Pensions?</i>	194
<i>Different Types Of Reserves</i>	194
<i>Allocating Money From A Reserve</i>	196
<i>Specific Power In The Governing Rules</i>	196
Investment Examples	196
<i>Example 1 – Using A Closely Held Unit Trust</i>	196
<i>Example 2 – Using A Holiday Home Partly Owned By A Super Fund</i>	198
<i>Example 3 – Super Fund Owns An Apartment In A Residential Complex Managed By A Third Party Business</i>	198
<i>Example 4 – How To Plan For Retirement Using Residential Property</i>	200
<i>Example 5 – Acquiring Short-Term Accommodation</i>	202
<b>8. Getting Money Out Of Super</b>	<b>206</b>
What Access Restrictions Are Placed On Contributions And Other Deposits?	206
Preserved Benefits (PB), Restricted Non-Preserved Benefits (RNPB) And Unrestricted Non-Preserved Benefits (UNPB)	207
<i>New Contributions, Rollovers And Transfers</i>	207
Releasing Money Out Of The Super System	207
<i>Putting These Rules To Practical Use</i>	210
When are benefits deemed to be paid from a Self Managed Super Fund?	222
Death Benefits	222
<i>Dependants</i>	222

<i>A Dependant Under The Super Laws</i>	222
<i>Inter-dependency Relationships</i>	223
<i>Member Death Benefit Nominations</i>	228
<i>Problems With Death Benefit Nominations</i>	234
<i>Other Death Benefit Examples</i>	237
<i>What Sort Of Process Should A Super Trustee Follow When They Receive A Deceased Member's Death Insurance Benefit?</i>	241
<i>Indirect Challenges – Family Provision Legislation</i>	242
<i>Death Insurance Issues</i>	243
<i>Investment Of Death Insurance Proceeds</i>	243
<i>SMSF Specific Issues</i>	244
<i>As Always, Refer To Your Super Fund's Trust Deed</i>	244
Death Benefit Taxation Issues	245
<i>Tax Status Of Any Contributions</i>	245
<i>Super Fund Tax Concessions For Death Insurance Premiums</i>	245
<i>Tax Impacts On The Receipt Of Death Insurance Proceeds By A Super Fund</i>	245
<i>Tax Impacts On The Receipt Of A Death Insurance Claim And The Payment Of That Benefit To A Beneficiary</i>	245
<i>Tax Impacts On The Recipient Of A Super Fund Death Benefit</i>	249
<i>Super Fund Obligations After Paying A Death Benefit</i>	250
Terminal Medical Condition Taxation Issues	250
Disability Benefit Taxation Issues	250
<i>Permanent Incapacity</i>	250
<i>Temporary Incapacity</i>	257
Trauma Insurance Benefits	257
<i>Tax Status Of Any Contributions Used To Subsidise Temporary Insurance Policy Premiums</i>	257
<i>Super Fund Tax Concessions For Trauma Insurance Benefits</i>	257
<i>Tax Impacts On The Receipt Of Trauma Insurance Proceeds By A Super Fund</i>	257
<i>Tax Impacts On The Recipient Of A Super Fund Temporary Disability Benefit</i>	257
<i>Super Fund Obligations After Paying A Trauma Insurance Benefit</i>	258
Business Succession	258
<i>Different Types Of Buy-Sell Agreements</i>	259
<i>The End Of The Beginning</i>	260
<i>GST And Stamp Duty Issues</i>	260
<i>Capital Gains Tax</i>	260
<i>Using Superannuation For Buy-Sell Agreements</i>	260
<i>Guarantees And Forgiving Loans</i>	261
Taxable And Tax-Free Components	261
<i>An Example Of Calculating The Taxable And Tax-Free Components</i>	265
<i>Specific Taxable And Tax-Free Component Issues For Pensions</i>	267
<i>The Tax Components Of Lump Sum Death Benefits</i>	267
<i>The Tax Components Of Lump Sum Disability Benefits</i>	268
<i>The Tax Components Of Income Stream Disability Benefits</i>	268
<i>Taxation Of Super Benefits Paid In Breach Of Super Laws</i>	269
Death Benefit Payment Process For Large And Small Super Funds	270
Nomination Death Benefit Payment Process	271
<b>9. SMSF Operational Or Administrative Issues</b>	<b>273</b>
Accounting Records	273
<i>Statement Of Financial Position</i>	273
<i>Operating Statement</i>	274
<i>Statement Of Cash Flows</i>	275
<i>Accounts Must Be Signed</i>	275
<i>Notes To The Accounts</i>	275
<i>How Long Must The Accounting Records Be Kept?</i>	275
<i>Valuation Of Assets</i>	276
Asset Segregation	277
Accounts Must Be Audited	277
Approved Auditor must be appointed	277
Lodge Annual Statutory Return	278

## Table of Contents

Other Administration Functions	279
<i>Year-End Processes</i>	279
<i>Daily administration</i>	279
An Investment Manager Must Be Appointed	280
Custodians Must Be Appointed	281
In Whose Name Must Assets Be Held?	282
Members Statements	283
<i>When Reports Have To Be Provided</i>	283
<i>The Information That Must Be Provided</i>	284
<i>Information On Death Of Fund Member</i>	284
<i>Penalties For Non-Compliance With This Provision</i>	284
<i>Cooper Review Recommendations</i>	285
Prepare And Issue A Product Disclosure Statement	285
<i>Different Circumstances When A PDS Should Be Issued:</i>	287
Disclosure Of Material Changes And Significant Events	287
<i>Time Limit When Information Must Be Provided</i>	287
<i>When Might This Disclosure Requirement Be Necessary For A Small Super Fund?</i>	288
<i>Penalties For Non-Compliance With This Provision</i>	288
Information Requested By A Fund Beneficiary	288
<i>Information For Employer-Sponsors</i>	289
<i>Confidential Information</i>	289
<i>Time-Limit To Comply</i>	289
<i>When Could Someone Use These Provisions?</i>	289
<i>Penalties For Non-Compliance With This Provision</i>	289
Minutes Of Trustee's Meetings	290
Keeping Records Of Changes In Trustees	290
Trustee Declaration For New Trustees	290
The Job Of The Approved Auditor	291
<i>Auditors Have Two Jobs</i>	291
<i>Accounting Body Standards</i>	291
<i>Guidance Statement 009</i>	292
<i>ATO Concerns About Approved Auditors</i>	292
Dealing At Arm's Length	295
Separate Bank Account	296
<b>10. Types of super funds</b>	<b>297</b>
Public Sector Super Funds	297
Corporate Super Funds	297
Industry Funds	297
Retail Funds	298
Small APRA Funds	298
<b>11. Setting Up A Self Managed Super Fund</b>	<b>300</b>
<i>Costs of Running a SMSF</i>	301
How Do You Set Up A Self Managed Super Fund?	303
<i>Choose A Fund Name</i>	304
<i>Obtain A Trust Deed</i>	304
<i>Appoint The Trustees And Ensure They Sign The ATO Trustee Declaration</i>	304
<i>Elect To Be Regulated Under The SIS Act</i>	305
<i>Lodge An Election With The ATO</i>	305
<i>Obtain Applications For Fund Membership</i>	305
<i>Establish An Appropriate Investment Strategy</i>	305
<i>Decide On An Appropriate Accounting Method</i>	305
<i>Appoint External Service Providers</i>	305
<i>Open The Fund's Bank Account Or Cash Management Trust</i>	305
<i>New ATO Registration Process</i>	306
<i>Cooper Review Recommendations</i>	307
Who Can Help You Set Up A Self Managed Super Fund?	308
Who Can Advise On Setting Up A Self Managed Super Fund?	308

<b>12. Super Fund Tax Rules</b>	<b>309</b>
Super Fund Assessable Income	309
<i>Super Contributions Included In A Super Fund's Assessable Income</i>	309
<i>Transfer Of Contribution Tax Liability</i>	312
<i>Capital Gains</i>	312
Super Fund Allowable Deductions	317
<i>AAT Case</i>	317
<i>Tax Rulings And Super Fund Tax Deductions</i>	318
<i>Capital Protected Borrowings</i>	319
Super Fund Taxable Income	321
What Is The Tax Rate For Super Fund Income?	321
Current Pension Liabilities	322
Segregated And Unsegregated Pension Assets	323
<i>Segregated Assets and Portions of Assets</i>	324
Do Franking Credits Really Reduce Super Fund Income Tax?	325
Resident Super Funds	325
<i>Tax Penalties For A Non-Resident Super Fund</i>	325
<i>The Three Key Questions Of The Australian Super Fund Residency Test</i>	326
<i>Why Do Most Fund's With Non-Resident Members Fail The Residency Test?</i>	328
<i>How To Ensure That A Super Fund Remains A Resident Super Fund?</i>	328
<i>What To Do If A Fund Is Already In Breach Of The Residency Laws</i>	329
Non-arm's Length Investments	329
<i>What Difference Is There Between The Old Laws And New Laws?</i>	331
<i>Administrative Appeals Tribunal Case and appeal to the Full Federal Court</i>	331
<i>Full Federal Court Case</i>	331
Trading Unit Trusts	333
<b>13. Other tax topics</b>	<b>335</b>
Goods And Services Tax	335
<i>The Basics</i>	335
<i>Some GST Specific Issues For Super Funds</i>	336
<i>GST-Turnover Threshold</i>	336
<i>Financial Acquisition Threshold</i>	336
<i>Reduced Input Taxed Credits</i>	337
<i>Borrowings</i>	342
<i>Typical Supplies Which Are Not GST Financial Supplies</i>	342
<i>Tax Office Documents</i>	343
State Duties, Levies And Taxes	343
<b>14. Small Business CGT Concessions</b>	<b>346</b>
Importance Of These Concessions	346
Basic Conditions	346
<i>Business Entity Eligibility Tests</i>	347
<i>Active Asset Test</i>	352
<i>Special Requirements for Shares In Companies And Units In Trusts</i>	354
<i>CGT Concession Stakeholder</i>	355
<i>Significant Individual</i>	355
<i>Small Business Participation Percentage</i>	355
<i>The 90% Test</i>	355
<i>Death</i>	355
Specific Small Business CGT Concessions	356
<i>Depreciating Assets</i>	356
<i>Applying The Discount And Concessions</i>	356
<i>15-Year Exemption</i>	356
<i>Small Business 50% Reduction</i>	357
<i>Retirement Exemption</i>	358
<i>Small Business Rollover</i>	360
<i>Small Business CGT Exemption Superannuation Contribution Rules</i>	361

## Table of Contents

<i>Deceased Estates</i>	361
Proposed Australia's Future Tax System Review Changes	361
<b>15. Compulsory Superannuation</b>	<b>363</b>
Employment Awards and Agreements	363
Superannuation Guarantee (SG)	364
<i>Minimum Super Contributions</i>	364
<i>Choice Of Fund</i>	370
<i>Complying Super Funds Only</i>	371
<i>Using A Clearing House</i>	371
<i>What Penalties Apply If The Above Rules Are Not Followed?</i>	372
<b>16. Centrelink Benefits</b>	<b>374</b>
Age Pension Eligibility Age	374
<i>Minimum Age Pension Age Increase</i>	375
Assets Test	375
Income Test	375
Calculating your Centrelink income	376
<i>Step One: Work Out Your "Financial Investments"</i>	376
<i>Step Two: Add Your Income From Any Employment To Your Deemed Income From Financial Investments</i>	376
<i>Step Three: Work Out Your Income From Investments Other Than Financial Investments</i>	377
<i>Are Super Benefits Counted?</i>	377
<i>Retirement Income Streams</i>	378
Centrelink Rules Relating To Retirement Income Streams	378
<i>Income Test</i>	378
<i>Life Expectancy</i>	379
<i>Assets Test</i>	380
<i>Asset Test Exempt or Partially Exempt Conditions</i>	381
<i>Other Important Points</i>	382
Pension Bonus Scheme	382
Commonwealth Seniors Health Care Card	383
<i>What Is Available Under The CSHC?</i>	383
<i>Australia's Future Tax System</i>	384
<b>17. Designing a pension</b>	<b>385</b>
Pension Structural Issues	386
<i>Why Do We Need To Pay An Income Via A Pension?</i>	386
<i>How Long Do We Need To Pay The Income?</i>	386
<i>How Much Control Will The Pensioner Have Over The Income That Is Paid?</i>	390
<i>For Pensions, Will The Pensioner Be A Trustee Or Merely A Member Of The Super Fund?</i>	391
<i>How And When Are Reversionaries Determined?</i>	391
<i>What Happens With Any Residual Amount?</i>	392
<i>What Happens When There Is No More Money To Pay Income Payments?</i>	392
<i>How Will The Income From The Income Stream Be Paid?</i>	393
<i>Draft Income Tax Ruling 2011/D3</i>	393
Regulator	394
<i>Can You Regulatory Shop?</i>	394
<i>How Does APRA Regulate Non-Self Managed Super Funds?</i>	395
<i>How Does The ATO Regulate Self Managed Super Funds?</i>	395
Provider Structural Issues	395
<i>Type Of Vehicle</i>	395
<i>Trustee Structure</i>	395
<i>Multi-Generational Issues</i>	395
<i>Reserving</i>	396
<i>Segregation Of Assets</i>	396
<i>Appointment Of Professionals</i>	396
<i>Actuarial Certificates</i>	396
Legislative Issues	398

Provider Tax Issues	399
Centrelink Issues	399
Pensioner's Tax Issues	400
<i>What Are Tax Offsets?</i>	400
<i>Mature Age Worker Tax Offset (MAWTO)</i>	400
<i>Senior Australians Tax Offset (SATO)</i>	401
<i>Pensioner Tax Offset</i>	401
<i>Medical Expenses Tax Offset</i>	402
<i>Low Income Tax Offset</i>	403
<i>Some Pension Strategy Considerations</i>	403
<i>Proposed Changes – Australia's Future Tax System Review</i>	405
Estate Planning	405
<b>18. Paying income stream benefits</b>	<b>406</b>
Step One	406
Step Two	406
Step Three	406
Step Four	407
Step Five	408
Step Six	409
Step Seven	409
Step Eight	409
Step Nine	409
Pension Transactions	409
<i>Cashing Out Pensions</i>	411
<i>Rolling Back A Pension</i>	412
<i>Rolling Over Pensions</i>	414
<i>Refreshing A Pension</i>	415
<i>Transferring A Reversionary Pension</i>	417
<i>Changing A Reversionary Beneficiary</i>	418
<b>19. Bankruptcy</b>	<b>421</b>
Historical Development	421
Attacking Super Contributions	422
The <i>Bankruptcy Act 1966</i>	422
<i>How Can A Super Fund Member Protect Themselves?</i>	424
<i>Super Fund Account Balances</i>	424
<i>How Does A Bankruptcy Trustee Investigate?</i>	424
<i>Pension Payments</i>	424
<i>What Happens To A Member's Account When A Benefit Is Paid?</i>	425
<i>Corporate Trustees And Self Managed Super Funds</i>	425
<b>20. Aged Care</b>	<b>426</b>
The Aged Care Decision Diagram	427
Potential Costs For An Aged Care Resident	427
Care Fees	428
1. <i>Standard Resident Contribution (Basic Daily Care Fee)</i>	428
2. <i>Daily Income-Tested Fee</i>	428
Accommodation Payments	429
3. <i>Accommodation Charge</i>	429
4. <i>Accommodation Bonds</i>	429
<i>Paying The Accommodation Bond</i>	430
Income And Assets Test For Aged Care Costs	430
<i>Income Tests</i>	431
<i>Assets Test</i>	431
Choosing Not To Be Assessed	432
Income Tax Issues	432

<b>21. The Financial Planning Process</b>	<b>433</b>
What Is Financial Planning?	433
Financial Planning Modelling	434
Reforms to Financial Advice	436
<i>Financial Planning Fees</i>	436
<i>Super Fund Expenses</i>	438
<b>Appendix One – Time-Line Of Super Law Contribution Rules</b>	<b>441</b>
<b>Appendix Two – Time-Line Of Super Law Preservation Rules</b>	<b>448</b>
July 1986 – July 1990	448
July 1991 – July 1994	449
July 1994 – February 2008	450
<i>Compulsory Cashing Of Benefits</i>	452
<i>Conditions Of Release</i>	453
<b>Appendix Three – Timeline of the Legislative Structure Of Superannuation Pensions</b>	<b>457</b>
Lifetime Pensions	457
Allocated Pensions	459
Other Pensions (Which Do Not Fit Into Any Other Rule)	460
Life Expectancy Term Pensions	461
Market Linked Pensions	463
Account-Based Pensions	464
Restrictions On Commuting Pensions	465
<i>Restrictions on Commuting Pensions (contd)</i>	466

*Table of Contents*