

2016

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

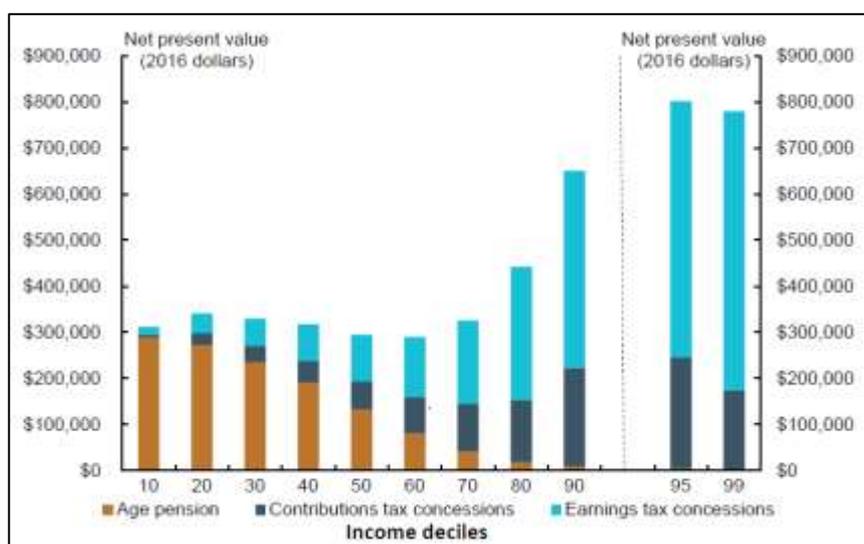
HOUSE OF REPRESENTATIVES

SUPERANNUATION (OBJECTIVE) BILL 2016
TREASURY LAWS AMENDMENT (FAIR AND SUSTAINABLE SUPERANNUATION) BILL
2016
SUPERANNUATION (EXCESS TRANSFER BALANCE TAX) IMPOSITION BILL 2016

EXPLANATORY MEMORANDUM

(Circulated by the authority of the
Treasurer, the Hon Scott Morrison MP and
Minister for Revenue and Financial Services, the Hon Kelly O'Dwyer MP)

Distribution of lifetime total Government support for retirement under current policy settings



14.12 The current superannuation tax concessions are poorly targeted and unsustainable. Many submissions in response to *Re:think* highlighted concerns in this regard, as did public commentary from industry bodies¹ and ‘think tanks’.²

14.13 While there was diverging views on how the system should be changed, there was clear agreement amongst almost all stakeholders that something needed to change.

14.14 Issues with the current superannuation tax concessions were also identified by the FSI which noted that tax concessions in the superannuation system are not well targeted at improving retirement incomes.

14.15 The FSI outlined some of the consequences of this issue which included:

- increasing the cost of the superannuation system to taxpayers;

1 Australian Superannuation Funds, *Submission response to the tax discussion paper*

2 Grattan Institute, media release, ‘For fairness and a stronger Budget, it is time to target super tax breaks’, 24 November 2015,

<http://grattan.edu.au/for-fairness-and-a-stronger-budget-it-is-time-to-target-super-tax-breaks/>