



Superannuation (PSSAP Trust Deed) (Superannuation Reforms and Other Matters) Amendment Instrument 2017

I, Senator the Hon Mathias Hubert Paul Cormann, Minister for Finance, make the following instrument.

Dated 31 May 2017

Mathias Hubert Paul Cormann
Minister for Finance

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1 Name

This is the *Superannuation (PSSAP Trust Deed) (Superannuation Reforms and Other Matters) Amendment Instrument 2017*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 to 4, Schedule 1, Parts 1 and 2, Schedule 2 and anything in this instrument not elsewhere covered by this table.	The day after this instrument is registered on the Federal Register of Legislation.	
2. Schedule 1, Part 3.	1 July 2017.	

- (2) Any information in column 3 of this table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under section 11 of the *Superannuation Act 2005*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1 - Rules under the Superannuation (PSSAP) Trust Deed

Part 1 – Payments in relation to a release authority

1 Rule 1.2.1

Repeal the existing definition of “**release authority**”, substitute:

release authority means a release authority issued under the **taxation legislation** for the release of an amount held in a member’s account.

2 Rule 1.2.1

After the definition of “**surchargeable contributions**”, insert:

taxation legislation means the *Taxation Administration Act 1953*, the *Income Tax Assessment Act 1997* or the *Income Tax (Transitional Provisions) Act 1997*.

3 Rule 3.1.1(f)

Repeal the Rule.

4 Rule 3.1.11A

Repeal the Rule, substitute:

3.1.11A Where **CSC** receives a **release authority**, **CSC** may pay an amount, as required or permitted under the **SIS Act** and the **taxation legislation**.

5 Note under Rule 3.1.11A

Repeal the Note, substitute:

Note: The amount that **CSC** is to pay is subject to the requirements under the **SIS Act** and the **taxation legislation**.

6 Rule 3.6.7(d)

Omit “and”.

7 Rule 3.6.7

After paragraph (d), insert:

(da) any amount paid by **CSC** in respect of the **PSSAP pensioner** under Rule 3.1.11A; and

8 Rule 5.1.6(h)

Omit “.”, substitute “;”.

9 Rule 5.1.6

After paragraph (h), insert:

- (i) any amount paid in respect of the **PSSAP member** under Rule 3.1.11A.

10 Rule 7.2.1B

After Rule 7.2.1B, insert the following new Heading and Rule:

Payments made under a release authority

7.2.1C There must be debited from a **non-member spouse interest account** any amount paid by **CSC** under Rule 3.1.11A in respect of the **non-member spouse**.

Part 2 – Account-based pensions

11 Rule 2.4.1D

After “**PSSAP member**”, insert “or **PSSAP pensioner**”.

12 Rule 3.1.1(g)

After “**PSSAP member**”, insert “or **PSSAP pensioner**”.

13 Rule 3.1.1(h)

After “**PSSAP pensioner**”, insert “, **non-member spouse**”.

14 Rule 3.6.1

After “**PSSAP member**”, insert “or **PSSAP pensioner**”.

15 Rule 3.6.8

After paragraph (e), insert:

- (f) if the application is from a former **non-member spouse** with no **personal accumulation account** or **non-member spouse interest account**, create a **non-member spouse interest account** for the person, and credit that **non-member spouse interest account**;

Part 3 – Payments in relation to a commutation authority

16 Rule 1.2.1

After the definition of “**cached**”, insert:

commutation authority means a commutation authority issued by the Commissioner of Taxation for the commutation of a superannuation income stream.

17 Rule 3.6.3

Paragraph (g), omit “and”.

18 Rule 3.6.3

Paragraph (h), omit “.”, substitute “; and”.

19 Rule 3.6.3

After paragraph (h), insert:

- (i) the pension must be commuted in whole or part to a lump sum where **CSC** receives a **commutation authority** issued under the *Taxation Administration Act 1953* and the **SIS Act** permits the commutation.

20 Rule 3.6.7

Paragraph (d), insert before “Rule 3.6.8”, “Rule 3.6.3(i) or”.

21 Rule 3.6.8

After Rule 3.6.8, insert the following new Rule:

3.6.8A Where the pension is commuted because of Rule 3.6.3(i), **CSC** may, subject to the **SIS Act**:

- (a) **rollover** or **transfer** to a **superannuation entity**;
- (b) pay to the person (as a lump sum);
- (c) credit the person’s **personal accumulation account**;
- (d) credit the person’s **non-member spouse interest account**;
- (e) if the person is a **PSSAP member** with no **personal accumulation account**, create a **personal accumulation account** for the person, and credit that **personal accumulation account**;
- (f) if the person is a **non-member spouse** with no **personal accumulation account** or **non-member spouse interest account**, create a **non-member spouse interest account** and credit that **non-member spouse interest account**;

all or part of the commutation amount.

22 Note under Rule 3.6.8A

Omit paragraph 2 in the Note, substitute:

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- 2 Generally a superannuation income stream in the retirement phase needs to be commuted in part or in full where the balance of a person's transfer balance account exceeds their transfer balance cap. For this purpose, the Commissioner of Taxation is able to issue a commutation authority to a superannuation income stream provider to commute some or all of a superannuation income stream.

Schedule 2—Superannuation (PSSAP) Trust Deed

1 Paragraph 8.1(a)

Omit “member”, substitute “director”.

2 Paragraph 8.1(b)

Repeal the paragraph.

3 Paragraph 8.1(c)

Repeal the paragraph, substitute:

(c) a member of the staff of CSC; or

4 Paragraph 8.3(a)

Omit “member”, substitute “director”.

5 Subparagraph 8.3(a)(i)

Omit “member”, substitute “director”.

6 Subparagraph 8.3(a)(ii)

Omit “paragraph 8.1(b), (c),” substitute “paragraph 8.1(c),”.

7 Paragraph 8.3(b)

Repeal the paragraph.

8 Subclause 9.1

Repeal paragraph (c), substitute:

(c) a director of CSC; or

(d) a member of the staff of CSC.