

SMSF Owners' expect 'thoughtful' review of superannuation tax

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Today's meeting between the Prime Minister and business, unions and community groups has put the taxation of superannuation back on the agenda.

We expect that in considering any change to superannuation, the Prime Minister will be taking the 'thoughtful' approach he mentioned in his interview with Fran Kelly on ABC Radio National this morning.

The Tax White Paper process provides a mechanism for taking a considered view of the role of taxation in encouraging Australians to save for the future and helping them to achieve financial independence in retirement.

Our submissions to the Tax White Paper Taskforce have put the debate over the fairness of superannuation tax concessions into proper perspective and challenged the basis on which claims of unfairness are made.

While it is true that high income earners get the greater share of superannuation tax concessions, they also pay the greater share of income tax, as the ATO statistics below show.

In our White Paper submissions, we have also shown how the superannuation system can be re-calibrated to provide better outcomes for people saving for retirement while maintaining revenue for the government.

The objective of any change to superannuation must be to make the system work better for all.

Superannuation is a long term investment and change should not be driven by short-term revenue needs or by perceptions of unfairness that are not well founded.

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From the Australian Taxation Office statistics

Figure 4. Number of individuals and net tax, by tax bracket, 2012–13 income year

These charts show the percentage of individuals earning income within each tax bracket and the contribution these individuals make towards individual income net tax.

Number of individuals



- \$18,200 or less – 19.8%
- \$18,201–\$37,000 – 24.3%
- \$37,001–\$80,000 – 37.4%
- \$80,001–\$180,000 – 15.9%
- \$180,001 or more – 2.7%

Amount of net tax



- \$18,200 or less – 0.1%
- \$18,201–\$37,000 – 2.7%
- \$37,001–\$80,000 – 30.3%
- \$80,001–\$180,000 – 39.0%
- \$180,001 or more – 28.0%