

30 October 2012

Extended CGT relief will enable mergers to proceed with certainty

The Australian Institute of Superannuation Trustees (AIST) today welcomed the passing of a Bill providing capital gains tax relief for merging superannuation funds through the House of Representatives.

The Bill extends the relief on capital loss rollovers to 1 July 2017 to coincide with the end of the MySuper transition period.

AIST CEO Fiona Reynolds said the extension would be a relief to those funds considering a merger.

“The industry has lobbied long and hard for the capital gains tax relief to be extended,” Ms Reynolds said. “This means any funds that had put merger plans on hold because of uncertainty can now proceed.”

The Government has repeatedly expressed a desire to see more consolidation across the super industry to achieve better cost efficiency for members.

“MySuper has been the catalyst for the increase in merger activity in the last 18 months or so, so the passing of this Bill means funds can continue down this path and pursue mergers where they are in the best interests of the fund and its members,” Ms Reynolds said.

Further media enquiries:

AIST Media Manager Janet de Silva: 0448 000 499

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