

Tax inquiry is a timely opportunity to ensure super is fair and sustainable: AIST

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The Government's Tax Inquiry is a timely opportunity to examine the taxation arrangements for the superannuation to ensure they are fair and sustainable for both current and future generations, **the Australian Institute of Superannuation Trustees (AIST)** said today.

AIST CEO Tom Garcia said the inquiry – which kicked off with the release of the tax discussion paper today - would be an opportunity to analyse the tax arrangements that apply to superannuation in the context of the tax treatment of other investments.

"It's important to view superannuation in a wider context both in terms of fairness to individuals and to the nation as a whole," Mr Garcia said. "This inquiry will be a much-needed opportunity to comprehensively examine the data so that any policy changes are based on hard evidence."

Recent AIST research has highlighted the need to better target the tax concessions in superannuation, with the top 10 per cent of income earners benefitting significantly from Government support for retirement incomes.

"Given the compulsory nature of the superannuation system, it is even more important that we get the policy measures right," Mr Garcia said. "We need tax concessions to encourage people to save for their retirement but we also need to find the right balance between supporting super savings and providing tax breaks that are fair and workable."

Mr Garcia said AIST's submission would examine the full spectrum of superannuation taxes in the accumulation and post-retirement phase with a view towards to a less-complex and fairer tax regime.

"Any changes made to the superannuation taxes must be workable - the last thing we need is a more complex retirement income system," said Mr Garcia.

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AIST is the peak industry body for the \$650 billion not-for-profit super sector which includes industry, corporate and public sector funds.