

# Simplified Superannuation

## ***Fact Sheet — Lost Members Register — Portability***

In addition to providing facilities for individuals to search the Lost Members Register, the Australian Government is also active in locating and contacting lost members whose address can be found using tax file number information. The ATO is currently writing to three million lost members to advise them about their lost superannuation.

The Australian Government aims to improve the operation and effectiveness of the current lost member arrangements. The ATO will be given a more active role in consolidation of lost accounts.

To reduce the number of people who are on the lost members register, the ATO will:

- rationalise existing processes to identify actual lost members including redefining lost members to exclude inactive accounts and requiring more comprehensive reporting from funds;
- contact lost members in 2007-08 and 2008-09 with lost account reviews to be initiated over a four year period through extensive outbound phone calls and letters;
- allow accounts of less than \$200 to be paid tax free; and
- establish a web-based tool through which members can locate their lost accounts using their TFN.

By 2009-10, members will be able to electronically request consolidation of their accounts through the ATO website.

A new standardised form will be introduced to facilitate the transfer of benefits between funds. The maximum time period in which this transfer must occur will be reduced from 90 days to 30 days. The 30 day period commences as soon as the person has provided all necessary information.

### ***Unclaimed Monies***

Included in the reforms is considerable funding for the Australian Taxation Office (ATO) to enhance its efforts to reunite people with their lost superannuation. The ability of individuals to utilise their superannuation savings is an important element of the Australian Government's retirement income policy.

Consistent with this, the Australian Government has decided to amend the *Superannuation Industry Supervision Act 1993* to direct future flows of unclaimed superannuation from the States to the Australian Government. This will begin on 1 July 2007.

Unclaimed superannuation will be managed by the ATO, providing a single access point for individuals searching for lost or unclaimed superannuation and a simpler claims process going forward. Together with other lost member initiatives, the Australian Government considers that this change will see more individuals accessing all of their superannuation at retirement.