



Strategic partnership – statement of intent

This statement sets out the agreed terms of the partnership between the SMSF Association (SMSFA) and the Australian Taxation Office (ATO).

Connected vision

The SMSF Association's vision is to enable Australians to take greater control of their own destiny through a sustainable SMSF community. As regulator of the SMSF sector, the Australian Taxation Office has a vision of being a leading tax and superannuation administration recognised for contemporary service, led with expertise and integrity.

With a common objective to instil greater confidence, trust and integrity in Australians' retirement, the strategic partnership provides a framework in the pursuit of a sustainable SMSF sector.

Objective

The SMSFA and ATO will work in partnership pursuant to this statement to improve and maintain:

- the integrity of the SMSF sector
- professionalism in the SMSF sector including the skill of trustees, focussing on enhancing industry knowledge and competency
- visibility and credibility of each organisation to influence sector behaviour.

These objectives will be achieved by the SMSFA and ATO working together on the following areas of focus and key activities.

Areas of focus – 2020

In the first year of the term of this partnership our key areas of strategic focus will be:

1. SMSF critical lifecycle stages
 - a. The SMSFA and ATO will work together to ensure that the establishment and end of life stages of the SMSF lifecycle are occurring in a way that promotes the long-term integrity of SMSFs.

Establishment

- b. This may include having a focus on:
 - i. Advice regarding SMSF establishments, encouraging potential trustees to consider whether an SMSF is right for them
 - ii. Improving trustees' awareness of their obligations and responsibilities
 - iii. Deterring SMSF setups used to illegally access superannuation benefits
 - iv. Improving lodgement for first time trustees.

End of life phase

- c. This may include a focus on:
 - i. Improving lodgement of SMSFs
 - ii. Encouraging trustees who are entering pension phase to consider future life events and the potential impacts on their SMSF.

2. Trustee knowledge and education

- a. The SMSFA and ATO will work together to improve the knowledge of SMSF trustees to ensure an SMSF sector with high compliance with the relevant laws and integrity.
- b. This may include having a focus on:
 - i. Sharing trustee focussed education materials
 - ii. Promoting to advisers the need to educate their trustee clients
 - iii. Promoting to SMSF trustees the need for them to increase their knowledge and skills to successfully administer their SMSF.

Areas of focus – life of the partnership

Throughout the term of this partnership, along with the areas listed under *Areas of focus – 2020*, the SMSFA and ATO will work together on the following strategic focuses:

3. Digital transformation of SMSFs

- a. The SMSFA and ATO will continue to encourage the SMSF sector to embrace digital and online administration solutions to increase the efficiency, cost-effectiveness and integrity of the sector.
- b. This may include having a focus on:
 - i. Progressing the work of the SMSF Discussion Group
 - ii. Promoting the benefits of digital administration for compliance and ATO lodgement/record keeping requirements

- iii. Working together to create a smooth transition for SMSFs to the SuperStream environment.
- 4. Reducing red tape
 - a. The SMSFA and ATO will share information to develop ideas to reduce red tape for the SMSF sector, promoting a more efficient sector.
 - b. This may include
 - i. SMSFA sharing submissions concerning red tape issues
 - ii. Information sharing regarding inefficiencies and irritants within the SMSF sector.
- 5. SMSF advice
 - a. The SMSFA and ATO will work together to provide information and, where possible, infrastructure to enable advice to be given to SMSF trustees.
 - b. This may include having a focus on:
 - i. Ensuring that SMSF trustees can access advice from a wide variety of SMSF professionals
 - ii. Promoting the need to seek specialised SMSF advice.
- 6. Knowledge sharing
 - a. The SMSFA and ATO will work together to identify opportunities to share knowledge and information to assist each organisation's vision and for the benefit of the SMSF sector.
 - b. This may include having a focus on:
 - i. Emerging risks or issues affecting the SMSF sector
 - ii. Areas for improvement for each organisation and the sector generally.

Key activities

The following activities are the key activities that will be undertaken by the SMSFA and ATO in order to achieve the objectives of the strategic partnership:

Activity	Area of focus
<p>The ATO to present at SMSFA events including but not limited to:</p> <p>a. The SMSFA National Conference.</p> <p>b. The SMSF and Investor Expo.</p>	<p>1a, 1bi, 1bii, 1biii, 1biv, 1ci, 1cii, 2a, 2bi, 2bii, 2biii, 5a, 5bii</p>
<p>The ATO to have a “booth presence” at SMSFA events on a cost recovery basis to ensure the ATO has a presence at key SMSF professional and trustee events. The events include but are not limited to:</p> <p>a. The SMSFA National Conference.</p> <p>b. The SMSF and Investor Expo.</p>	<p>1a, 1bi, 1bii, 1biii, 1biv, 1ci, 1cii, 2a, 2bi, 2bii, 2biii, 5a, 5bii</p>
<p>The SMSFA to provide the ATO with feedback in relation to SMSFA events, including (where tracked):</p> <p>a. number of attendees of presentations and ATO booths.</p> <p>b. feedback from attendees on presentations and presence of booth.</p>	<p>2a, 6a, 6bii</p>
<p>The ATO and SMSFA to share information about marketing and communication strategies to find opportunities to support each other’s messaging when it is positive for the SMSF sector.</p>	<p>1a, 1bi, 1bii, 1biii, 1biv, 1ci, 1cii, 2a, 2bi, 2bii, 2biii, 3a, 3bii, 5a, 5bii, 6a, 6bi</p>
<p>The ATO and the SMSFA will work together to deliver messages to the market about the value and importance of obtaining advice from SMSF professionals with specified levels of competency and knowledge in SMSF matters.</p>	<p>1a, 1bi, 1bii, 1ci, 1cii, 2a, 2bi, 2bii, 5a, 5bi, 5bii</p>

The ATO and SMSFA to have clear communication and transparency between both organisations about the ATO's approach to regulation of the SMSF sector and any potential emerging risks to regulatory efficacy in the sector.	3a, 3bi, 3bii,3biii, 4a, 4bi, 4bii, 6a, 6bi, 6bii
The SMSFA will share relevant submissions and policy responses with the ATO in a timely manner and the ATO will share relevant documents with the SMSFA on an embargoed basis.	4a, 4bi, 4bii, 6a, 6bi, 6bii
Bi-monthly meetings of project leads.	6a
Quarterly meetings of senior leaders to discuss progress of the partnership's objectives and industry developments.	6a
Participation of senior staff members from each organisation, in events such as the SMSFA board meetings and the ATO SEO leaders' workshop.	6a
The ATO and SMSFA working together to develop and provide input into each other's SMSF areas of focus each year.	6a, 6bi, 6bii
The ATO and the SMSFA will be alert to opportunities to work together on data and research.	6a, 6bii
Continue with the current secondee programme that allows individual ATO officers to undertake a short-term placement at the SMSFA and look for further opportunities for expansion of this program.	6a, 6bii
ATO staff to attend SMSFA events (e.g. National Conference, State Technical Day) as a source of continuing professional development and liaison with the sector.	6a, 6bii
The SMSFA to present at ATO events when suitable.	6a, 6bii

Project leads

The project leads will be the director of the ATO's SMSF Industry Liaison, Policy and Governance portfolio and SMSFA Head of Technical/Head of Policy.

Term

The SMSFA and ATO will commit to this partnership for a period of 3 years beginning 21 February 2020. This partnership may be extended for a further 3 years subject to the agreement of each organisation.

Signed -----

Signature:

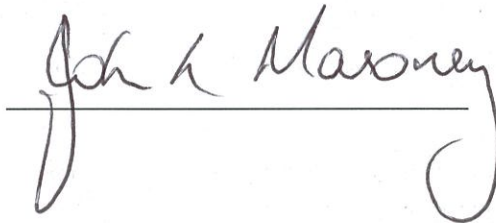


Date: 21/2/20

James O'Halloran

Deputy Commissioner, Superannuation and Employer Obligations
Australian Taxation Office

Signature:



Date: 21/2/20

John Maroney

CEO
SMSF Association