

Please treat this as a submission to the Review Panel in connection with the Commonwealth Government's *Review of the Retirement Income System*.

I can make my point briefly.

I am the trustee and beneficiary of a Self-Managed Superannuation Fund ('SMSF'). My superannuation contributions and the decision to establish the SMSF have been based on professional advice regarding the superannuation policies of the Australian government. In particular I refer to the recent reforms (supported as I recall by both sides of politics) which included new rules regarding income tax applicable to withdrawal of superannuation benefits for those over 60. These reforms were welcome for the simplicity and predictability they brought to an area of the law that has been bedeviled by complexity and incessant tinkering.

I have deferred current income over several years in order to provide for my impending retirement – which of course was the deliberate intent of the Commonwealth's superannuation policies. The result so far has been a sizable loss, which may not be recovered before I need to draw down on the funds in retirement. Many others have suffered the same misfortune. I think it would be most unfair on people in my position if, on top of such losses, the government were to decide to reverse its policy on the tax treatment of superannuation savings. Such a change would deplete already-depleted funds that people have put aside for retirement. In addition, any changes would likely re-introduce complexity into superannuation, and require yet another round of financial advice and restructuring of financial arrangements.

Like many, I would view any change to the tax treatment of superannuation benefits post-60 as a grab for money to pay for the government's current spending spree – which I note is *not* supported by both sides of politics. And it is *not* a cause I can believe in. While some counter-cyclical spending is appropriate, the spending seems excessive, and poorly targeted in some respects. The administration of government spending programs can be inept at the best of times, and I anticipate there will be some spectacular instances of waste. Clearly these matters would add to my disaffection if the post-60 superannuation reforms are reversed.

I hope you will bear these thoughts in mind in developing your recommendations.