How to report amounts that you rollover – SMSFs

Instructions for trustees of SMSFs - how to report contributions rolled out of or into your SMSF using SuperStream.

19 August 2021

The following guidance and examples will help you as a trustee of a self-managed super fund (SMSF) or a trustee's authorised agent to:

- make a rollover to another super fund that is not a Death benefit rollover
- provide a copy of the statement to your member within 30 days of the rollover payment
- make a rollover a super benefit that is paid to an eligible dependant beneficiary for the deceased under the regulatory rules – Death benefit rollover
- complete and lodge your *Self-managed superannuation fund annual return* (NAT 71226) – after the end of the financial year in which you made a rollover – in particular, sections F and G of that return
- complete and lodge the *Transfer balance account report* – when you rollover a member's super benefit that is in retirement phase.

Your reporting obligations

You must report contributions accurately after a rollover.

Transfer balance cap reporting and rollovers

You are encouraged to lodge your TBAR, reporting this debit to us at the same time at the time of the roll over.

Example 1 – Simple rollover of all entitlements

Example 1 assumes there are no investment earnings, losses or administration fees.

Example 2 – One partial rollover during the year

Example 2 assumes there are no investment earnings, losses or administration fees.

Example 3 – Multiple rollovers during the year

Example 3 assumes there are no investment earnings, losses or administration fees.

Example 4 – Dependent child death benefit rollover

Example 4 assumes there are no losses or administration fees.

Example 5 – Rollover of account-based pension from an SMSF to an APRA fund

Example 5 assumes there are no investment earnings, losses or administration fees.

25212

Your reporting obligations

You must report contributions accurately after a rollover.

19 August 2021

You should read the guidance and instructions below before you refer to the examples.

- **Self-managed superannuation fund annual return instructions** (NAT 71606)
- Instructions to complete the **Rollover benefits statement** (RBS)
- Instructions to complete the **Death benefit rollover statement** (DBRS)

Penalties may apply if you make a false and misleading statement in an SMSF annual return, RBS, or DBRS by reporting your member's contributions inaccurately to another fund or to us.

You must report contributions made to your SMSF during a financial year for each member. This will allow us to calculate and pay super co-contributions for them (if eligible) and assess excess contributions tax.

You should report contributions directly to us in your *Self-managed superannuation fund annual return* (SAR). Unless there is a rollover, you should report these contributions after the end of the financial year.

When you roll over all or a part of a member's balance to another super fund, you must provide an RBS or a DBRS, depending upon the rollover benefit type, to the receiving fund. You will have met your requirement to provide the RBS or DBRS to the receiving super provider by sending the information electronically under the Superannuation Data and Payment Standards 2012 (the SuperStream Standard).

Find out about

- SuperStream rollovers and release authorities for SMSFs
- Examples – SMSFs and SuperStream

81429

Transfer balance cap reporting and rollovers

You are encouraged to lodge your TBAR, reporting this debit to us at the same time at the time of the roll over.

19 August 2021

SMSFs have an obligation to lodge a transfer balance account report (TBAR) to report the debit that arises in the member's transfer balance account if they commute a retirement phase income stream before rolling over the assets.

If you do not and the member rolls their super benefit into an APRA-regulated fund and starts an income stream there – and the SMSF does not report this to us in a TBAR when it happens – a double-counting of the member's income streams will occur. This is because there will be a mismatch in timing of the reporting done by the APRA-regulated fund and the SMSF.

This is likely to mean:

- we will not be able to correctly calculate the member's personal transfer balance cap
- we will issue the member with an excess transfer balance determination

The value of the debit you need to report to us on the TBAR is the value of the retirement phase income stream when it is commuted. If the SMSF member rolls over both retirement phase and accumulation phase assets, the value of the debit will be less than the total amount rolled over.

The event type you need to report on the TBAR will be member commutation. If the member's pension account is being commuted in full the account should be reported as closed.

See also

- Event-based reporting for SMSFs
- What and when to report
- TR 2010/1 *Income tax: superannuation contributions*

Find out about

- Example 1 – Simple rollover of all entitlements
- Example 2 – One partial rollover during the year
- Example 3 – Multiple rollovers during the year
- Example 4 – Dependent child death benefit rollover
- Example 5 – Rollover of account-based pension from an SMSF to an APRA fund

81430

Example 1 – Simple rollover of all entitlements

Example 1 assumes there are no investment earnings, losses or administration fees.

19 August 2021

In some cases, rounding has been applied to eliminate cents and simplify the calculations.

Tracie is a member and a trustee of an SMSF. Her account balance on 1 July 2022 is $100,000. This balance is made up of a tax-free component of $80,000 and a taxable component of $20,000.

In September 2022, Tracie makes a non-deductible personal contribution of $5,000. In October 2022, she decides to rollover the entire balance held in her SMSF to Fund TTT.

When the rollover is made, Tracie's SMSF provides Fund TTT with a RBS message via SuperStream reporting income tax and contributions information as follows.

Completing the RBS message in SuperStream when the rollover is made

Tracie's SMSF advises the rollover components in the SuperStream message (which are the income tax components) as follows:

Rollover components

Tax-free component	$85,000
Taxable component:	
• Element taxed in the fund	$20,000
• Element untaxed in the fund	

Completing the SMSF annual return (SAR) after the end of the financial year

Prior to completing section G of the SAR, Tracie must ensure that she has all the details relating to the contributions that have been made to her SMSF during the financial year, together with the details of amounts she has rolled out of her SMSF to other funds on a RBS.

Tracie must report on the SAR, details of the contributions made in the 2022–23 financial year and the amounts rolled over.

In section G of the SAR at label B 'Personal contributions', Tracie reports $5,000.

At the same time, Tracie will need to include at section F label Q 'Outward rollovers and transfers' the amount she rolled over of $105,000.

Section G will include the following amounts

Opening account balance	$100,000

Label A – Employer contributions	Nil
Label B – Personal contributions	$5,000
Label N –Total contributions	$5,000
Label O – Allocated earnings or losses	Nil
Label P – Inward rollover amounts	Nil
Label Q – Outward rollovers and transfers	$105,000
Label R – Benefit payments and code	Nil
Label S – Closing account balance	Nil

As Tracie's entire balance has been rolled over to Fund TTT, section G of the SAR is not completed for Tracie.

Find out about

- Example 2 – One partial rollover during the year
- Example 3 – Multiple rollovers during the year
- Example 4 – Dependent child death benefit rollover
- Example 5 – Rollover of account based pension from a SMSF to an APRA fund

81431

Example 2 – One partial rollover during the year

Example 2 assumes there are no investment earnings, losses or administration fees.

19 August 2021

In some cases, rounding has been applied to eliminate cents and simplify the calculations.

Julie is a member and a trustee of an SMSF. Her account balance on 1 July 2022 is $50,000. Included in this balance are Julie's personal contributions of $10,000. She has not given a notice of intention to deduct any of these contributions using a **Notice of intent to claim or vary a deduction for personal super contributions** form (NAT 71121), so they are a tax-free component for income tax purposes.

In March 2023, Julie makes a non-deductible personal contribution of $100,000. This brings the value of her super interest to $150,000, with a tax-free component of $110,000.

In June 2023, Julie rolls over $60,000 to Fund XYZ and leaves $90,000 in her SMSF. When she makes the rollover, her SMSF provides Fund XYZ with an RBS message via SuperStream reporting income tax and contributions information as follows.

Completing the RBS message in SuperStream when the rollover is made

Tax components

Using the proportioning rule, Julie calculates the tax-free component of her $60,000 rollover as the ‘Rollover amount’ multiplied by the result of the ‘Tax-free component of her super interest before the rollover’ divided by the ‘Value of her super interest before the rollover’, that is:

$60,000 × ($110,000 ÷ $150,000) = $44,000

The taxable component of her $60,000 rollover is the remainder of the rollover:

$60,000 − $44,000 = $16,000

Julie reports the Tax components as follows:

Tax-free component	$44,000
Taxable component:	
• Element taxed in the fund	$16,000

• Element untaxed in the fund	

Julie also needs to calculate how much of her personal contributions made in the 2022–23 financial year remain in the SMSF after paying the rollover to Fund XYZ and how much was rolled out and so reported on the RBS given to Fund XYZ.

While Julie can calculate the components of her remaining super interest in the SMSF using the same method as above, it is simpler to use subtraction, as follows.

The tax-free component of her interest left in the SMSF is the tax-free component before the rollover minus the tax-free component rolled out:

$110,000 – $44,000 = $66,000

The taxable component is the remainder of her interest – that is, the total in the SMSF after the rollover minus the tax-free component after the rollover:

$90,000 – $66,000 = $24,000

So, the portion of the $100,000 contribution that is still held for Julie in the SMSF after paying the rollover is the ' Tax-free component of the remaining interest' multiplied by the result of the ' Contribution made in the same financial year as the rollover' divided by the ' Tax-free component of her entire interest before the rollover', that is:

$66,000 × ($100,000 ÷ $110,000) = $60,000

Completing the SMSF annual return after the end of the financial year

Prior to completing section F of the SAR, Julie must ensure that she has all the details relating to the contributions that have been made to her SMSF during the financial year, together with the details of any contributions that she has rolled out of her SMSF to other funds on a RBS.

Julie must report on the SAR details of the contributions made in the 2022–23 financial year and rollovers. In section F of the SAR at label B 'Personal contributions', Julie reports $100,000.

At the same time, Julie will need to include at section F label Q 'Outward rollovers and transfers' of $60,000.

Section F will include the following amounts

Opening account balance	$50,000
Label A – Employer contributions	Nil
Label B – Personal contributions	$100,000
Label N – Total contributions	$100,000
Label O – Allocated earnings or losses	Nil
Label P – Inward rollover amounts	Nil
Label Q – Outward rollovers and transfers	$60,000
Label R – Benefit payments and code	Nil
Label S – Closing account balance	$90,000

Find out about

- Example 1 – Simple rollover of all entitlements
- Example 3 – Multiple rollovers during the year
- Example 4 – Dependent child death benefit rollover
- Example 5 – Rollover of account-based pension from an SMSF to an APRA fund

81432

Example 3 – Multiple rollovers during the year

Example 3 assumes there are no investment earnings, losses or administration fees.

In some cases, rounding has been applied to eliminate cents and simplify the calculations.

John is a member and a trustee of an SMSF. His account balance at 1 July 2021 is $200,000. Included in this balance are John's personal contributions of $100,000. He has not given a notice of intention to deduct any of these contributions using a **Notice of intent to claim or vary a deduction for personal super contributions** form (NAT 71121), so they are a tax-free component for income tax purposes.

First rollover

In March 2022, John makes another non-deductible personal contribution of $95,000. This brings the value of John's super interest to $295,000, with a tax-free component of $195,000.

In April 2022, John rolls over $60,000 to Fund ABC and leaves $235,000 in his SMSF. John's SMSF provides Fund ABC with an RBS message via SuperStream reporting tax and contributions information as follows.

Completing the RBS message in SuperStream when the rollover is made

Tax components

Using the proportioning rule, John calculates the tax-free component of his rollover as the 'Rollover amount' multiplied by the result of the 'Tax-free component of his super interest before the rollover' divided by the 'Value of his super interest before the rollover', that is:

$60,000 × ($195,000 ÷ $295,000)

The taxable component of his $60,000 rollover is the remainder of the rollover:

$60,000 − $39,661 = $20,339

John reports the 'Rollover components' as follows:

Tax-free component	$39,661

Taxable component:	
• Element taxed in the fund	$20,339
• Element untaxed in the fund	

John needs to calculate how much of his personal contributions made in the 2021–22 financial year remain in the SMSF after paying the rollover to Fund ABC.

The tax-free component of his interest left in the SMSF is the tax-free component before the rollover minus the tax-free component rolled out:

$195,000 − $39,661 = $155,339

The taxable component is the remainder of his interest in the fund – that is, the total in the SMSF after the rollover minus the tax-free component after the rollover:

$235,000 − $155,339 = $79,661

Summary of reporting in SuperStream for the first rollover

What	Reported at	Amount
Tax-free component	Item 13	$39,661
Taxable component:		
Element taxed in the fund	Item 13	$20,339

After the rollover has been made, the balance of John's super interest in the SMSF is $235,000, which is made up of:

- Tax-free component: $155,339
- Taxable component: $79,661

Additional contributions and second rollover made during the year

In May 2022, John received employer contributions of $2,000 and made additional non-deductible personal contributions of $45,000. There is a $300 allowance for tax on employer contributions. This brings the value of John's super interest to $281,700 ($235,000 + $2,000 + $45,000 − $300).

John's super interest is now made up of a:

- tax-free component of $200,339 (the $155,339 tax-free component in the fund before the contribution plus the personal contribution of $45,000)
- taxable component of $81,361 (the $79,661 taxable component in the fund before the contribution plus the $1,700 net amount of employer contributions).

In June 2022, John rolls over a further $80,000 to Fund ABC and leaves $201,700 in his SMSF. When the rollover is made, John's SMSF provides Fund ABC with an RBS reporting tax and contributions information as follows.

Completing the RBS message in SuperStream when the rollover is made

Tax components

Using the proportioning rule, John calculates the tax-free component of his $80,000 rollover as the 'Rollover amount' multiplied by the result of the 'Tax-free component of his super interest before the rollover' divided by the 'Value of his super interest before the rollover', that is:

$80,000 − ($200,339 ÷ $281,700) = $56,894

The taxable component of his $80,000 rollover is the remainder of the rollover:

$80,000 − $56,894 = $23,106

John reports the 'Rollover components' as follows:

Tax-free component	$56,894

Taxable component:	
Element taxed in the fund	$23,106
Element untaxed in the fund	

John calculates the components of his remaining super interest in the SMSF ($201,700) as follows.

The tax-free component of his interest left in the SMSF is the tax-free component before the rollover minus the tax-free component rolled out:

$200,339 – $56,894 = $143,445

The taxable component of his interest left in the SMSF is the remaining interest in the SMSF minus the tax-free component remaining in the SMSF:

$201,700 – $143,445 = $58,255

Completing the SMSF annual return after the end of the financial year

Prior to completing section F of the SAR, John must ensure that he has all the details relating to the contributions that have been made to his SMSF during the financial year, together with the details of amounts rolled out of his SMSF to other funds on a RBS.

John must report on the SAR details of the contributions received by the SMSF and the rollover amounts:

Section F – Member information

Opening account balance	$200,000
Label A – Employer contributions	$2,000
Label B – Personal contributions	$140,000
Label N – Total contributions	$142,000
Label O – Allocated earnings or losses	$300 (Loss)

Label P – Inward rollover amounts	Nil
Label Q – Outward rollovers and transfers	$140,000
Label R – Benefit payments and code	Nil
Label S – Closing account balance	$201,700

Find out about

- Example 1 – Simple rollover of all entitlements
- Example 2 – One partial rollover during the year
- Example 4 – Dependent child death benefit rollover
- Example 5 – Rollover of account-based pension from an SMSF to an APRA fund

81433

Example 4 – Dependent child death benefit rollover

Example 4 assumes there are no losses or administration fees.

19 August 2021

In some cases, rounding has been applied to eliminate cents and simplify the calculations.

Holly is a member and trustee of the Holly SMSF. On 1 August 2023, Holly dies while in receipt of a non-reversionary retirement phase superannuation income stream valued at $1,180,000.

Holly's super interest will be divided 50-50 to Holly's two children, Ruby and Bertha.

On 1 October 2023, the fund receives an insurance policy payment of $800,000. At this date, the retirement phase interest was valued at $1,200,000 due to investment growth.

On 1 February 2024, the entire amount is rolled over to another fund to be paid to the children. At this date, the interest in total is valued at $2,200,000, due to further investment growth.

When calculating the retirement phase value to be included on the death benefit rollover message in SuperStream, the fund needs to identify the 'at-death' value of the retirement phase interest, plus all investment earnings attributable to it.

The 'at-death value' was $1,180,000. The $20,000 earnings between 1 August and 1 October are included. When the insurance policy is included into the account, the retirement phase interest (and earnings) represents 60% of the total of the account ($1,200,000 ÷ $2,000,000 × 100).

Therefore, 60% of the earnings between 1 October and 1 February are included in the retirement phase value: 60% of $200,000 = $120,000.

The retirement phase value to be reported on the death benefit rollover statement is: $1,180,000 + $20,000 + $120,000 = $1,320,000.

Using SuperStream to report a dependent child death benefit rollover:

Death benefit rollover to a child recipient require both the Death Benefit Rollover SuperStream message and the Death Benefit Rollover Statement form to be sent to the receiving fund.

The transferring fund is required to undertake the rollover in SuperStream and must, as soon as practicable after processing the rollover, complete the DBS and send this to the receiving fund.

See also

- Death benefit rollover statement

Find out about

- Example 1 – Simple rollover of all entitlements
- Example 2 – One partial rollover during the year
- Example 3 – Multiple rollovers during the year
- Example 5 – Rollover of account based pension from a SMSF to an APRA fund

81434

Example 5 – Rollover of account-based pension from an SMSF to an APRA fund

Example 5 assumes there are no investment earnings, losses or administration fees.

19 August 2021

In some cases, rounding has been applied to eliminate cents and simplify the calculations.

Saxon started an retirement phase income stream valued at $1.0 million on 1 July 2018 in the Saxon SMSF. The Saxon SMSF lodged a TBAR and reported this to us on 28 October 2018.

In August 2022, Saxon decides to commute his pension, rollover it over to APRA Fund BBB and wind up the Saxon SMSF. At the time Saxon commutes his income stream it is worth $950,000 and he does not have an accumulation phase interest in the SMSF.

APRA Fund BBB commences Saxon's new pension in August 2022. When the rollover is made, Saxon's SMSF provides Fund BBB with an RBS message via SuperStream reporting income tax and contributions information as follows.

Completing the RBS message in SuperStream when the rollover is made

Saxon's SMSF completes the 'Tax components' (which are the income tax components) as follows:

Rollover components

Tax-free component	$800,000
Taxable component:	

Element taxed in the fund	$150,000
Element untaxed in the fund	

Completing the TBAR to report the commutation debit when the roll over occurs

Saxon's SMSF lodges a TBAR including the following information:

- Event type: Member Commutation
- Effective date: 17 August 2022
- Value: $950,000
- Account type: Account based pension
- Account status: closed

Completing the SMSF annual return after the end of the financial year

Saxon will need to include at section G label Q 'Outward rollovers and transfers' the amount he rolled over of $950,000 when completing the SMSF annual return (SAR) for the 2022–23 financial year.

Section G will include the following amounts:

Opening account balance	$950,000
Label A – Employer contributions	Nil
Label B – Personal contributions	Nil
Label N– Total contributions	Nil
Label O – Allocated earnings or losses	Nil
Label P – Inward rollover amounts	Nil
Label Q – Outward rollovers and transfers	$950,000

Label R – Benefit payments and code	Nil
Label S – Closing account balance	Nil

Find out about

- Example 1 – Simple rollover of all entitlements
- Example 2 – One partial rollover during the year
- Example 3 – Multiple rollovers during the year
- Example 4 – Dependent child death benefit rollover

81435

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.