

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**TREASURY**

**Australian Taxation Office**

(Budget Estimates 29 May 2007)

**Question**                    **BET 101**  
**Topic:**                        **Self Managed Super booklet-compensation warning**  
**Hansard Page:**            **E71b**

Senator **Sherry** asked:

I have a similar issue. You are obviously responsible for regulating self-managed super funds. You have got a joint publication with, I think, ASIC. It is entitled *Is self-managed super right for you?* Is that correct?

*Ms Vivian—That is right.*

**Senator SHERRY**—Would you believe it appropriate that a warning about compensation—or the lack of compensation in this case—in the event of theft and fraud should be contained in that?

*Ms Vivian—You are implying that we do not have that warning in there and you are asking me—*

**Senator SHERRY**—Yes, you do not have the warning there.

*Ms Vivian—I am certainly happy to have a look at it.*

*(Senator Sherry provided the following information:*

*Can the ATO inform Senator Sherry when they have completed discussions with ASIC and if they will then add appropriate warning into their joint publication “Is self managed super right for you?” that states no compensation is available in the event of theft and fraud?)*

**Answer:**

A new publication is being developed by the Tax Office specifically aimed at individuals considering establishing a self managed superannuation fund. A message will be included in this publication, outlining to SMSF trustees that if their superannuation fund suffers from fraudulent conduct or theft, they won't be eligible for compensation under superannuation law. This publication is expected to be available by the end of September 2007.

The existing publication entitled *Is self managed super right for you?* will also be updated to include this message. It should also be noted that the first edition of 'SMSF News', published by the Tax Office in June 2007 also included this message.