

Occupational Superannuation Standards Regulations (Amendment) 1992 No. 218

EXPLANATORY STATEMENT

Statutory Rules 1992 No. 218

Occupational Superannuation Standards Act 1987

Occupational Superannuation Standards Regulations (Amendment)

Section 22 Of the Occupational Superannuation Standards Act 1987 (the Act) provides that the Governor General may make regulations for the purpose of the Act, and, in particular to prescribe methods for determining whether an eligible termination payment, superannuation pension or an annuity is within or exceeds the reasonable benefit limits.

Part IIIA of the Act, which commenced on 1 July 1990, established arrangements for the administration of the reasonable benefit limits. Coinciding with the commencement of part IIIA, the Occupational Superannuation Standards Regulations (the Regulations) were amended by inserting Part 1A to prescribe the methods by which Insurance and Superannuation Commissioner (the Commissioner) determines a person's reasonable benefit limit and whether a benefit received by a person is within or in excess of that limit.

Sub-regulation 4G(1) of the Regulations prescribes required information for the purpose of sub-sections 15G(1) and (3) and 15(J) of the Occupational Superannuation Standards Act 1987 (the Act) as specified in Schedule 5.

The amended regulation enhances the prescribed reporting requirement for payments made after 30 June 1992. This additional reporting requirement simplifies the operation of reasonable benefit limit arrangements by reducing the number of interim determinations that would be sent out by the Insurance and Superannuation Commissioner, for benefits paid after 30 June 1992.

The amendment is described in detail in the attachment.

These Regulations will commence on the date of the Gazettal.

Authority: *Section 22* of the Occupational Superannuation Standards Act 1987

OCCUPATIONAL SUPERANNUATION STANDARDS REGULATIONS (Amendment)

Reference in the following paragraphs are to provisions of the amending Regulations. Reference to the 'principal regulations' are references to the Occupational Superannuation Standards Regulations.

REGULATION 1

Sub regulation 1.1 provides that the amendments to the Regulations would commence on 1 July 1992.

REGULATION 2

Sub regulation 2.1 provides that the Occupational Superannuation Standards Regulations are amended as set out in the Regulation.

REGULATION 3

Sub-regulation 3.1 has inserted a new sub-regulation, 4N(1A) which ensures that where a person requests a copy of a determination notice under the proposed subsection 15Q(3) of the principal Act and no such notice of the determination was received before, the person can only request for amendment of such a determination for which subsection 15M(1) applies, within one year after the end of the financial year in which the payment to which the determination relates was made.

REGULATION 4

Sub regulation 4.1 has inserted a new regulation, 4ZD which prescribes information for the purpose of subsection 15Q(1) of the Act. Presently the principal regulation does not prescribe any information for the purpose of subsection 15Q(1).

REGULATION 5

Sub regulation 5.1 replaces the heading of Schedule 5 of the principal regulations by inserting a new heading, adding 'PAYMENTS MADE AT ANY TIME'. This substitution is necessary as further information is being prescribed after 30 June 1992 which would be included as Part II.

Sub-regulation 5.2 corrects a typographical error of the word 'ETP's' in schedule 5 of the principal regulations.

Sub regulation 5.3 inserts a new PART 2 to the Schedule 5 of the principle regulations. Presently the principal regulations leave the provisions of some information as optional and prescribe standard assumptions which are to be made when that optional information is not provided. This amendment would ensure that more complete information is provided by the payer and result in the number of notices the Commissioner is required to send to be greatly reduced.