



Australian Government

Australian Taxation Office

Transfer balance cap

Completing a Transfer Balance Account Report (TBAR)

December 2017

Transfer balance account report

Transfer balance account report (TBAR)

- ❖ The TBAR has been developed to capture the information income stream providers need to provide to the ATO
- ❖ All superannuation providers paying a superannuation income stream to an individual will need to complete and lodge this form
- ❖ There will be three lodgment channels available: Bulk data exchange/transfer via the business portal (BDE), Online lodgment (available from January 2018) and Paper form
- ❖ Any provider can use any channel, however BDE is likely to best suit larger providers.

The TBAR has two purposes:

1. Reporting transfer balance cap events
2. Reporting information for a member's total super balance.

Transfer balance account report

Audience poll:

What lodgement channel are you most likely to use?

- A. Paper form
- B. Online form that will be available in January
- C. Bulk data transfer via the business portal
- D. Unsure.

What income stream providers need to report to us

Common events:

- ❖ 'pre-existing' superannuation income streams in the retirement phase
- ❖ New income streams in the retirement phase on or after 1 July 2017, including reversionary income streams
- ❖ You only need to report a TRIS when it starts to be in the retirement phase
- ❖ The date and value of amounts commuted from a member's income stream

Less common events:

- ❖ Certain limited recourse borrowing arrangement repayments
- ❖ Personal injury (structured settlement) contributions
- ❖ Child death benefit income streams (including reversionary death benefit income streams)
- ❖ Certain information about income streams that stop being in retirement phase
- ❖ Commissioner's commutation authority (CCA) actions – including commuted in full and unable to commute

What income stream providers do not need to report to us

- There is some information that income stream providers will not need to report to us via the TBAR, this includes:
 - ❖ Pension draw downs. These are not debits in the transfer balance account
 - ❖ Investment earnings or losses
 - ❖ When assets supporting an income stream are exhausted
 - ❖ Death of a member

There is some information that income stream providers will not need to report to us because it is the responsibility of the individual, this includes:

- ❖ Structured settlement contributions received by the fund prior to 1 July 2007
- ❖ Debits that arise as a result of fraud or bankruptcy

Transfer balance account report

Audience poll:

Who are you lodging on behalf of?

- A. Income stream providers (super funds), for example you are a fund administrator
- B. Your own SMSF members
- C. Your clients, for example you are a tax agent
- D. Other.

Lodging the TBAR

When do income stream providers start reporting information via the TBAR?

All income stream providers need to capture the necessary data from 1 July 2017, but the timeframe for reporting this information to us can vary.

- ❖ APRA funds: must report by 14 December (10 working days from the end of November)
- ❖ SMSF's: a transitional approach to event-based reporting is being provided to support SMSFs, therefore reporting dates may differ from fund to fund depending on the circumstances.

The next slide shows a table of reporting due dates for SMSF's.

Frequency of reporting

	SMSF Transfer Balance Account reporting due date			
	Determined at 30 June immediately before each year the first member of the fund starts their first retirement phase income stream in that SMSF			
Event type	At least one member of the fund has an income stream just before 1 July 2017 AND All members of the SMSF have a total super balance of less than \$1 million as at 30 June 2017	At least one member of the fund has an income stream just before 1 July 2017 AND At least one member of a SMSF has a total super balance of \$1 million or more as at 30 June 2017	A member of a SMSF starts an income stream on or after 1 July 2017 AND as at 30 June in the income year immediately prior to the member starting the income stream, all members of the SMSF have a total super balance of less than \$1 million	A member of a SMSF starts an income stream on or after 1 July 2017 AND as at 30 June in the income year immediately prior to the member starting the income stream, at least one member of the SMSF has a total super balance \$1 million or more
An income stream payable to a member just before 1 July 2017 that continues to be paid to the member on or after 1 July 2017	On or before 1 July 2018	On or before 1 July 2018	N/A	N/A
<p>Any other event that is NOT:</p> <p>A commutation of an income stream in response to an Excess Transfer Balance (ETB) Determination issued to a member of your fund by the ATO because they have exceeded their transfer balance cap</p> <p>OR</p> <p>Responding to a Commutation Authority issued to you because a member has exceeded their transfer balance cap.</p>	<p>No later than the due date for lodging your annual return</p> <p>(for funds with an agent and no outstanding lodgements, generally 15 May each year)</p>	<p>The later of:</p> <ul style="list-style-type: none"> • 28 October 2018 or • 28 days after the end of the quarter in which the event occurred 	<p>No later than the due date for lodging your annual return</p> <p>(for funds with an agent and no outstanding lodgements, generally 15 May each year)</p>	<p>The later of:</p> <ul style="list-style-type: none"> • 28 October 2018 or • 28 days after the end of the quarter in which the event occurred
A commutation of an income stream in response to an ETB Determination issued to a member of your fund by the ATO	10 business days after the end of the month in which the commutation occurs.			
Commutation Authority- compliance or reasons for non-compliance	Legislated due date (as stated on Authority) i.e. within 60 days of the date of issue of the Commutation Authority			

Lodging the TBAR

Lodged in error?

To cancel or update information already reported to us, income stream providers must:

- ❖ cancel the original report, then;
- ❖ lodge a new report with the correct information.

TBAR instructions

- ❖ TBAR instructions can be found here ato.gov.au/tbar-instructions
- ❖ You can reach the form and instructions on ato.gov.au by navigating to the Administering and reporting page under self-managed super funds. Alternatively, you can also use quick search or key words: TBAR, QC53363, QC53364, Transfer balance account report.
- ❖ In most instances the TBAR allows you to report up to four events per member. You must complete separate reports for each member. If you have more than four events to report for a member you need to lodge multiple reports.
- ❖ If you are reporting a child death benefit income stream or child reversionary income stream you can only report that one event on the TBAR. Any other events must be reported in a separate TBAR.
- ❖ In the next slides we are going to give an overview of each section of the report. We will then work through some detailed examples.

How to complete the report

Section A: Member details

1 Tax file number (TFN)

⚠ You don't have to provide the TFN to us. However, if you do, it will help us identify the member correctly and process your report quickly. For more information on privacy, refer to ato.gov.au/privacy

2 Name

Title: Mr Mrs Miss Ms Other

Family name

First given name Other given names

3 Date of birth / /

4 Current residential address

Suburb/town

State/territory

Postcode

Country if other than Australia

How to complete the report

Section D-1: **Event one**

- !** Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a second event in Section D-2.

11 **Is the first event:**

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13.
- An income stream that commenced on or after 1 July 2017 Go to question 13.
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 **Commutation authority**

An event that occurred in response to a commutation authority issued by the ATO.

- !** A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

➤ Go to Event details on the next page.

How to complete the report

13 Pre-existing or new income stream event or a limited recourse borrowing arrangement (LRBA) repayment

A transfer balance cap event in relation to an income stream in existence just before 1 July 2017; a new income stream that commenced on or after 1 July 2017; or an LRBA repayment.

- ❗ If you select either **child death benefit income stream** or **child reversionary income stream** you must complete Section F and you can only report one event on this report.

Event type:

Super income stream

Reversionary income stream

LRBA repayment

- ❗ If you select one of the below events you can only report one event in this report. Refer to the instructions for more information.

Child death benefit income stream

Child reversionary income stream

➤ Go to Event details on the next page.

14 Other transfer balance cap event

Any other transfer balance cap event.

- ❗ If your member has voluntarily requested that you commute an amount, select **Member commutation** event type. Do not use this event type if you are responding to a commutation authority from the ATO.

Event type:

Member commutation

Income stream stops being in retirement phase

Structured settlement – post 1 July 2017

➤ Go to Event details on the next page.

How to complete the report

Event details

! You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 **Effective date** / /

Day Month Year

18 **Value** \$.

19 **If you are responding to a commutation authority, was the commutation paid directly to the member?**
(ie, paid out of the super system)

! Only complete this question if the *Reporting event type* is **Commutation authority – commuted in full** or **Commutation authority – commuted in part**.

If unknown leave this question blank.

No Yes

How to complete the report

Section E-1: Member account details

! Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

How to complete the report

Section F: Third party details

! You only need to complete Section F if the *Reporting event type* is **Child death benefit income stream** or **Child reversionary income stream**. Otherwise leave Section F blank. You must complete this section with the deceased person's details.

25 Tax file number (TFN)

! You don't have to provide the TFN to us. However, if you do, it will help us identify the third party correctly and process your report quickly. For more information on privacy, refer to ato.gov.au/privacy

26 Name

Family name

First given name

Other given names

27 Date of birth

Day / Month / Year

How to complete the report

Section G: Declarations

Complete the declaration that applies to you. Print your full name then sign and date the declaration.

- !** Before you sign the declaration, check that you have provided true and correct information. Penalties may be imposed for giving false or misleading information.

Trustee, director or authorised officer declaration

Complete this declaration if you are the trustee, director or authorised officer of the super provider.

I declare that the information contained in the statement is true and correct.

Name

Business hours phone number (include area code)

Trustee, director or authorised officer signature

Date / /

OR

Authorised representative declaration

Complete this declaration if you are an authorised representative of the super provider or life insurance company.

I declare that:

- I have prepared the statement with the information supplied by the super provider or life insurance company
- I have received a declaration made by the super provider or life insurance company that the information provided to me for the preparation of this statement is true and correct
- I am authorised by the super provider or life insurance company to give the information in the statement to the ATO.

Name

Business hours phone number (include area code)

Authorised representative signature

Date / /

Examples of how to complete the report

- We will now work through the following examples reporting:
 1. a pre-existing income stream (pre 1 July 2017)
 2. a new income stream (post 1 July 2017) and member commutation (multiple events)
 3. a pre-existing income stream (pre 1 July 2017) where an election to use the [Practical Compliance Guideline 2017/5](#) applies
 4. a capped defined benefit income stream
 5. a TRIS that moves into retirement phase
 6. a commutation in response to a commutation authority
 7. a child reversionary income stream

Example 1 – Pre existing income stream

Example 1:

- ❖ You are the trustee of the Snowflake super fund
- ❖ Your member Bill was receiving a retirement income stream on 30 June 2017 valued at \$1,200,000
- ❖ The income stream is an account based pension
- ❖ You lodge a TBAR to notify us about Bill's income stream. You complete the TBAR as follows...

Example 1 – Pre existing income stream

Section D-1: Event one

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a second event in Section D-2.

11 Is the first event:

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13. ←
- An income stream that commenced on or after 1 July 2017 Go to question 13.
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 Commutation authority

An event that occurred in response to a commutation authority issued by the ATO.

1 A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

➤ Go to Event details on the next page.

13 Pre-existing or new income stream event or a limited recourse borrowing arrangement (LRBA) repayment

A transfer balance cap event in relation to an income stream in existence just before 1 July 2017; a new income stream that commenced on or after 1 July 2017; or an LRBA repayment.

1 If you select either child death benefit income stream or child reversionary income stream you must complete Section F and you can only report one event on this report.

Event type:

- Super income stream ←
- Reversionary income stream
- LRBA repayment

1 If you select one of the below events you can only report one event in this report. Refer to the instructions for more information.

- Child death benefit income stream
- Child reversionary income stream

➤ Go to Event details on the next page.

As Bill's income stream existed before 1 July 2017, select this event and go to question 13.

Bill is receiving a retirement phase income stream that is not a reversionary income stream. Select super income stream and go to event details.

Example 1 – Pre existing income stream

Event details

1 You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date 30 / 06 / 2017

18 Value \$ 1,200,000.00

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

1 Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part.
If unknown leave this question blank.

No Yes

Section E-1: Member account details

1 Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

1

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

As Bill's income stream existed before 1 July 2017 the effective date is 30 June 2017. The value at 30 June 2017 was \$1,200,000.00

Bill is receiving an account based income stream.

At the time of the event Bill's account is open, he does not have a USI or member client identifier and his member account number is 1.

Reminder: Complete Section G with declaration details

Example 2 – New income stream and member commutation

Example 2:

- ❖ You are the trustee of the Tamborine super fund
- ❖ Your member Sally commences a retirement income stream on 19 October 2018 valued at \$600,000
- ❖ Sally commutes \$100,000 back to accumulation account on 15 February 2019
- ❖ The income stream is an account based pension
- ❖ Your tax agent lodges a TBAR to notify us of Sally's new income stream and member commutation. Your agent completes the TBAR as follows...

Example 2 – New income stream and member commutation

Section B: Cancellation

5 Are you cancelling a previous transfer balance account event?

No Yes

Complete this report exactly the same as the original event. If you previously reported multiple events you only need to include details of the event/s you wish to cancel. Refer to the instructions for more information on how to cancel a previous report.

Section C: Fund/Supplier/Provider details

i If you are an SMSF trustee completing this report for a member of your SMSF you may leave questions 6 and 7 blank.

6 Intermediary/Supplier name

P A Y L E S S T A X A C C O U N T I N G F I R M

7 Australian business number (ABN)

1 2 3 1 2 3 1 2 3 1 2

Your contact details are required in case we need to speak to you about details supplied on this report. Provide your contact details in Section G.

8 Fund/Provider name

T A M B O R I N E S U P E R F U N D

9 Fund/Provider ABN

1 1 1 1 1 1 1 1 1

10 Fund/Provider TFN

2 2 2 2 2 2 2 2

i You don't have to provide the TFN to us. However, if you do, it will help us identify the fund/provider correctly and process your report quickly. For more information on privacy, refer to ato.gov.au/privacy

Reminder:
Complete Section A
with member details

Example 2 – New income stream and member commutation

Section D-1: Event one

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a second event in Section D-2.

11 Is the first event:

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13.
- An income stream that commenced on or after 1 July 2017 Go to question 13.
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 Commutation authority

An event that occurred in response to a commutation authority issued by the ATO.

1 A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

Go to Event details on the next page.

13 Pre-existing or new income stream event or a limited recourse borrowing arrangement (LRBA) repayment

A transfer balance cap event in relation to an income stream in existence just before 1 July 2017; a new income stream that commenced on or after 1 July 2017; or an LRBA repayment.

1 If you select either child death benefit income stream or child reversionary income stream you must complete Section F and you can only report one event on this report.

Event type:

- Super income stream
- Reversionary income stream
- LRBA repayment

1 If you select one of the below events you can only report one event in this report. Refer to the instructions for more information.

- Child death benefit income stream
- Child reversionary income stream

Go to Event details on the next page.

As Sally's income stream commenced after 1 July 2017 select this event and go to question 13.

Sally commenced a retirement phase income stream that is not a reversionary income stream. Select super income stream and go to event details.

Example 2 – New income stream and member commutation

Event details

1 You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date / /

18 Value \$:

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

1 Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part.
If unknown leave this question blank.

No Yes

Sally's income stream commenced on 19 October 2018. The value at 19 October 2018 was \$600,000.00

Section E-1: Member account details

1 Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

Sally is receiving an account based income stream.

Sally's account is open, she does not have a USI or member client identifier and her member account number is 1.

Example 2 – New income stream and member commutation

Section D-2: Event two

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a third event in Section D-3.

11 Is the second event:

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13.
- An income stream that commenced on or after 1 July 2017 Go to question 13.
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Sally made a member commutation select this event and go to question 14.

14 Other transfer balance cap event

Any other transfer balance cap event.

1 If your member has voluntarily requested that you commute an amount, select **Member commutation** event type. Do not use this event type if you are responding to a commutation authority from the ATO.

Event type:

- Member commutation
- Income stream stops being in retirement phase
- Structured settlement – post 1 July 2017

➤ Go to Event details on the next page.

Select member commutation and go to event details.

Example 2 – New income stream and member commutation

Event details

1 You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date 15 / 02 / 2019

18 Value \$ 100,000.00

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

1 Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part.

If unknown leave this question blank.

No Yes

On 15 February 2019
Sally commuted
\$100,000.00

Section E-1: Member account details

1 Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

1

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

Sally commuted from
her account based
pension.

Sally's account is open,
she does not have a USI
or member client identifier
and her member account
number is 1.

Reminder:
Complete Section G
with declaration
details

Example 3 – pre existing income stream - PCG election

Example 3:

- ❖ You are the trustee of the Shooting star super fund
- ❖ Your member Chao has pre 1 July 2017 income stream and was uncertain of the actual value of the income stream prior to 1 July 2017
- ❖ Chao makes a request as per PCG 2017/5, which is subsequently accepted by you (the trustee of the SMSF), to commute his superannuation income stream(s) by the amount that the value of the superannuation interests that support their superannuation income streams exceeds \$1.6 million
- ❖ The income stream is an account based pension
- ❖ You lodge a TBAR to notify us about Chao's pre-existing income stream and value just before 1 July 2017. You complete the TBAR as follows...



Example 3 – pre existing income stream - PCG election

Section D-1: Event one

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a second event in Section D-2.

11 Is the first event:

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13. ←
- An income stream that commenced on or after 1 July 2017 Go to question 13.
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 Commutation authority

An event that occurred in response to a commutation authority issued by the ATO.

1 A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

➤ Go to Event details on the next page.

13 Pre-existing or new income stream event or a limited recourse borrowing arrangement (LRBA) repayment

A transfer balance cap event in relation to an income stream in existence just before 1 July 2017; a new income stream that commenced on or after 1 July 2017; or an LRBA repayment.

1 If you select either child death benefit income stream or child reversionary income stream you must complete Section F and you can only report one event on this report.

Event type:

- Super income stream ←
- Reversionary income stream
- LRBA repayment

1 If you select one of the below events you can only report one event in this report. Refer to the instructions for more information.

- Child death benefit income stream
- Child reversionary income stream

➤ Go to Event details on the next page.

As Chao's income stream existed before 1 July 2017 select this event and go to question 13.

Chao is receiving a retirement phase income stream that is not a reversionary income stream. Select super income stream and go to event details.

Example 3 – pre existing income stream - PCG election

Event details

1 You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date 30 / 06 / 2017

18 Value \$ 1,600,000.00

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part.

If unknown leave this question blank.

No Yes

Section E-1: Member account details

1 Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

9 8 7 6 5 4 3 2 1

23 Member account number

2

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

1

Chao's income stream existed before 1 July 2017 and therefore the effective date is 30 June 2017. As Chao has elected to use the PCG the value of the income stream is \$1.6million.

Chao is receiving an account based income stream.

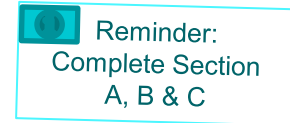
Chao's account is open, he has a USI but not a member client identifier. Chao's account number is 2.

Reminder: Complete Section G with declaration details

Example 4 – Capped defined benefit income stream

Example 4:

- ❖ You are the trustee of the Flake super fund
- ❖ Your member Shannon has pre 1 July 2017 income stream
- ❖ The income stream is a market linked pension and therefore a capped defined benefit income stream
- ❖ You lodge a TBAR to notify us about Shannon's pre-existing income stream.
You complete the TBAR as follows...



Example 4 – Capped defined benefit income stream

Section D-1: Event one

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a second event in Section D-2.

11 Is the first event:

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13. ←
- An income stream that commenced on or after 1 July 2017 Go to question 13.
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 Commutation authority

An event that occurred in response to a commutation authority issued by the ATO.

1 A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

➤ Go to Event details on the next page.

13 Pre-existing or new income stream event or a limited recourse borrowing arrangement (LRBA) repayment

A transfer balance cap event in relation to an income stream in existence just before 1 July 2017; a new income stream that commenced on or after 1 July 2017; or an LRBA repayment.

1 If you select either child death benefit income stream or child reversionary income stream you must complete Section F and you can only report one event on this report.

Event type:

- Super income stream ←
- Reversionary income stream
- LRBA repayment

1 If you select one of the below events you can only report one event in this report. Refer to the instructions for more information.

- Child death benefit income stream
- Child reversionary income stream

➤ Go to Event details on the next page.

As Shannon's income stream existed before 1 July 2017 select this event and go to question 13.

Shannon is receiving a retirement phase income stream that is not a reversionary income stream. Select super income stream and go to event details.

Example 4 – Market linked CDBI

Event details

❶ You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date 30 / 08 / 2017

18 Value \$ 2,160,000.00

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

❶ Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part.

If unknown leave this question blank.

No Yes

Section E-1: Member account details

❶ Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

5 3 2

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

Reminder:
Complete Section G
with declaration
details

Shannon's income stream existed before 1 July 2017. Therefore the effective date is 30 June 2017. Shannon's capped defined benefit income stream 'special value' on 30 June 2017 is \$2,160,000.

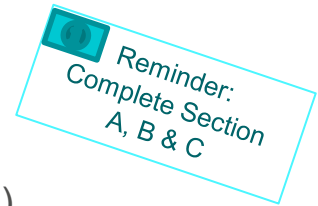
Shannon is receiving a market linked capped defined benefit income stream.

Shannon's account is open, she does not have a USI or member client identifier. Shannon's account number is 532.

Example 5 – TRIS moves to retirement phase

Example 5:

- ❖ You are the trustee of the Octopus super fund
- ❖ Your member Keith has been receiving a transition to retirement income stream (TRIS)
- ❖ On 24 October 2019 Keith turns 65 years old and his TRIS moves into retirement phase
- ❖ You lodge a TBAR to the ATO to notify them about Keith's new retirement income stream.
You complete the TBAR as follows...



Example 5 – TRIS moves to retirement phase

Section D-1: Event one

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a second event in Section D-2.

11 Is the first event:

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13.
- An income stream that commenced on or after 1 July 2017 Go to question 13. ←
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 Commutation authority

An event that occurred in response to a commutation authority issued by the ATO.

1 A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

2 Go to Event details on the next page.

13 Pre-existing or new income stream event or a limited recourse borrowing arrangement (LRBA) repayment

A transfer balance cap event in relation to an income stream in existence just before 1 July 2017; a new income stream that commenced on or after 1 July 2017; or an LRBA repayment.

1 If you select either child death benefit income stream or child reversionary income stream you must complete Section F and you can only report one event on this report.

Event type:

- Super income stream ←
- Reversionary income stream
- LRBA repayment

1 If you select one of the below events you can only report one event in this report. Refer to the instructions for more information.

- Child death benefit income stream
- Child reversionary income stream

2 Go to Event details on the next page.

Keith's TRIS moves to retirement phase on his 65th birthday 24 October 2019, select this event and go to question 13.

Keith is receiving a retirement phase income stream that is not a reversionary income stream. Select super income stream and go to event details.

Example 5 – TRIS moves to retirement phase

Event details

1 You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date / /

18 Value \$:

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

1 Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part. If unknown leave this question blank.

No Yes

Keith's income stream moved to retirement phase on 24 October 2019 and is valued at \$1,150,000.

Section E-1: Member account details

1 Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

Keith is receiving an account based income stream.


Keith's account is open, he does not have a USI or member client identifier. Keith's account number is 3.

Reminder:
Complete Section G
with declaration
details

Example 6 – Response to a commutation authority

Example 6:

- ❖ You are the trustee of the Circus super fund
- ❖ Your member Alex has exceeded their transfer balance cap and did not respond to their determination within the required timeframe
- ❖ As the trustee you have received a Commissioner's commutation authority from the ATO. The commutation authority requires you to commute \$125,000
- ❖ You commute the amount stated in the commutation within 60 days
- ❖ You lodge a TBAR within 60 days of the notice to notify us of your compliance with the commutation authority. You complete the TBAR as follows...

 Reminder:
Complete Section
A, B & C

Example 6 – Response to a commutation authority

Section D-1: Event one

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section. You can report a second event in Section D-2.

11 Is the first event:

- A response to a commutation authority Go to question 12. ←
- An income stream that commenced prior to 1 July 2017 Go to question 13.
- An income stream that commenced on or after 1 July 2017 Go to question 13.
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 Commutation authority

An event that occurred in response to a commutation authority issued by the ATO.

1 A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full ←
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

2 Go to Event details on the next page.

You are responding to a commutation authority, select this event and go to question 12.

You commute the full amount stated in the commutation authority. You also ensure the minimum pension payment requirements have been met before commuting.

Example 6 – Response to a commutation authority

Event details

1 You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date / /

18 Value \$:

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

1 Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part. If unknown leave this question blank.

No Yes

You commuted \$125,000 from Alex's income stream on 6 July 2018.

Alex chose to keep the lump sum in an accumulation account.

Section E-1: Member account details

1 Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

Alex is receiving an account based income stream.

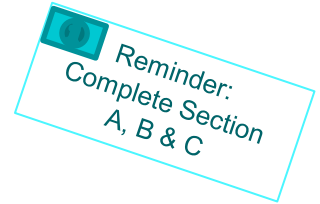
Alex's account is open, he does not have a USI or member client identifier and the account number is 1.

Reminder:
Complete Section G
with declaration
details

Example 7 – Reporting a child reversionary income stream

Example 7:

- ❖ You are the trustee of the Capital super fund
- ❖ Your member Amy started to receive a child reversionary income stream on 15 June 2018
- ❖ You lodge a TBAR to notify us of Amy's child reversionary income stream.
You complete the TBAR as follows...



Example 7 – Reporting a child reversionary income stream

Section D-1: Event one

1 Refer to the instructions for more information on how to complete this section. Only report one event in this section.
You can report a second event in Section D-2.

11 Is the first event:

- A response to a commutation authority Go to question 12.
- An income stream that commenced prior to 1 July 2017 Go to question 13.
- An income stream that commenced on or after 1 July 2017 Go to question 13. ←
- A limited recourse borrowing arrangement repayment Go to question 13.
- A different transfer balance cap event Go to question 14.

Additional information to calculate a member's total super balance or concessional contributions – Go to questions 15 and 16.

Transfer balance cap event

12 Commutation authority

An event that occurred in response to a commutation authority issued by the ATO.

1 A commutation authority is a notice the Commissioner issues to a super income stream provider requiring the provider to commute an amount out of a specified super income stream.

Event type:

- Commutation authority – commuted in full
- Commutation authority – commuted in part
- Commutation authority – deceased
- Commutation authority – defined benefit

Go to Event details on the next page.

13 Pre-existing or new income stream event or a limited recourse borrowing arrangement (LRBA) repayment

A transfer balance cap event in relation to an income stream in existence just before 1 July 2017; a new income stream that commenced on or after 1 July 2017; or an LRBA repayment.

1 If you select either child death benefit income stream or child reversionary income stream you must complete Section F and you can only report one event on this report.

Event type:

- Super income stream
- Reversionary income stream
- LRBA repayment

1 If you select one of the below events you can only report one event in this report. Refer to the instructions for more information.

- Child death benefit income stream
- Child reversionary income stream ←

Go to Event details on the next page.

You are reporting an income stream that commenced after 1 July 2017, therefore select this event and go to question 13.

You are reporting a child reversionary income stream select this and go to event details. Note that you cannot report any further events in the report.

Example 7 – Reporting a child reversionary income stream

Event details

1 You must complete Q17 and Q18 for each event reported with the exception of Commutation authority (deceased) and commutation authority – defined benefit. Refer to the instructions for more information on how to complete this section.

17 Effective date 15 / 06 / 2018

18 Value \$ 980,000.00

19 If you are responding to a commutation authority, was the commutation paid directly to the member? (ie, paid out of the super system)

1 Only complete this question if the Reporting event type is Commutation authority – commuted in full or Commutation authority – commuted in part. If unknown leave this question blank.

No Yes

Section E-1: Member account details

1 Only certain event types require you to answer question 20. Refer to the instructions for more information on how to complete this question.

20 Member account type

Account-based income stream

Capped defined benefit income stream just before 1 July 2017

Market-linked capped defined benefit income stream just before 1 July 2017

Capped defined benefit income stream on or after 1 July 2017

21 Is the account closed?

No Yes

22 Unique superannuation identifier (USI)

If you don't have a USI leave this question blank

23 Member account number

1

24 Member client identifier (number)

If you don't have a member client identifier leave this question blank

Amy's child reversionary income stream commenced on 15 June 2018 and was valued at \$980,000.

Amy's income stream is an account based pension.

Amy's account is open and she does not have a USI or member client identifier and her account number is 1.

Reminder:
Complete Section G
with declaration
details

More information

There are a number of resources available to help a fund understand their options.

- [ATO Web Content](#) for APRA funds (search: QC 50730)
- [ATO Web content for SMSFs](#) (search: QC 50731)
- You may wish to [subscribe](#) for ATO Super web content alerts
- [Super FAQs](#) (search: QC 51875)
- [Guidance Notes for super changes](#) (search: QC 51934).

More information

- The following Law Companion Guides have been published:
 - ❖ [LCG 2016/9](#) *Superannuation reform: transfer balance cap*
 - ❖ [LCG 2016/8](#): *Superannuation reform: transfer balance cap and transition-to-retirement reforms: transitional CGT relief for superannuation funds*
 - ❖ [LCG 2016/10](#) *Superannuation reform: defined benefit income streams – non-commutable, lifetime pensions and lifetime annuities*
 - ❖ [LCG 2017/1](#) *Superannuation reform: defined benefit income streams – pensions or annuities paid from non-commutable, life expectancy or market-linked*
 - ❖ [LCG 2017/3](#) *Superannuation reform: Superannuation death benefits and the transfer balance cap*
 - ❖ [Practical Compliance Guideline 2017/5](#) *Superannuation reform: commutation requests made before 1 July 2017 to avoid exceeding the \$1.6 million transfer balance cap.*

Questions & answers

Thank you for your participation.

