

would allow non-resident members to continue making contributions.

However, the appointment of a resident legal personal representative in place of the non-resident trustees (or directors of the corporate trustee) is one means of meeting the CMC test (provided contributions have ceased) and this strategy has been supported by the ATO. However, this requires documentation (*enduring* powers of attorney, documents to remove the departing trustees, etc) to be carefully implemented.

The key is to undertake planning *before* departure. DBA can assist trustees and advisers to explore the options available for a planned departure overseas.

Auditors and SMSF trust deeds: What the ATO say

Recent material from the ATO highlights the importance of SMSF trust deeds being kept up-to-date.

'Auditing a self managed super fund' (NAT 16308 published in August 2007) reminds auditors that they should be asking the following deed-related questions:

Do all payments made comply with the trust deed?

Are all pensions paid in accordance with the trust deed? Remember that the new account-based pension and transition to retirement income stream were only introduced a number of months ago. Many older deeds do not allow for payment of these.

Has the trust deed been examined to ensure that the fund has been established and maintained solely for providing retirement benefits to members or to their dependants in the case of a member's death before retirement?

The publication also reminds auditors that a copy of the trust deed should be included in their work files.

DBA can assist in making sure that deeds are up-to-date and compliant. We are pleased to review deeds to determine whether they have appropriate powers as well as drafting deeds of variation where appropriate.

Also, a new online solution — the Annual Update Service — has recently been introduced for keeping SMSF governing rules up-to-date on an ongoing basis. For more details about the service, visit <http://www.smsf.com.au>

A good deed is the backbone of any strategy.



Pension documentation

Pension Kits (\$440 per kit *) comprise all the pro-forma documentation needed to commence a pension for an SMSF. Each kit includes a PDS, resolutions, summary for member, checklist, member application form, ATO forms and more.

Account-Based Pension

Conversion Kit

Transition to Retirement Income Stream

*Crystallisation Kit (\$330 *)*

* Single use licence. If you would like to purchase multiple use licences, please contact Ian Waters or Bryce Figot at our office.

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