

# Media Release

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## Super reforms set to cost 'nest eggs' \$'000s

Tax experts have today warned that a proposal banning accountants from advising on setting up self-managed superannuation funds ('SMSFs') will see a massive increase in fees and also effectively removes the right of many taxpayers to choose how they invest their retirement 'nest egg'.

A recent press release issued by The Honourable Chris Bowen, Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services, has announced that accountants will no longer be entitled to advise clients on setting up an SMSF.

The National Tax and Accountants' Association ('NTAA') strongly objects to the proposal being raised by Mr Bowen in his press release.

The NTAA believes that accountants are uniquely experienced to objectively advise on the benefits/pitfalls of setting up SMSFs. Furthermore, the NTAA also contends that these reforms will see the costs of setting up an SMSF 'spiralling out of control' and this will effectively force some taxpayers to 'turn their backs' on using SMSFs as a form of investing their retirement 'nest egg'.

Andrew Gardiner, Spokesman for the NTAA, today stated "Introducing these reforms will result in two very unfortunate outcomes. Firstly, these changes will see the costs of setting up an SMSF spiralling out of control. As a result, many taxpayers will effectively be forced to ignore using SMSFs as a genuine option in providing for their retirement."

Andrew Gardiner also stated "These changes will effectively only benefit 'big business' because they effectively will force many taxpayers into investing their 'nest egg' into larger superannuation funds (e.g., industry funds and public offer funds).

Put simply, these reforms remove the right of many taxpayers to choose how their retirement nest egg will be invested. This is an outrageous situation!"

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**Andrew Gardiner, Spokesman for the NTAA**

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