

# DEFENCE FORCE WELFARE ASSOCIATION



## NATIONAL OFFICE

PO Box 4166, KINGSTON ACT 2604

Telephone: 02 6265 9530

Facsimile: 02 6265 9776

rdfwanat@ozemail.com.au

www.rdfwa.org.au

*Patron:* His Excellency Major General Michael Jeffery AC CVO MC (Retd)  
Governor-General of the Commonwealth of Australia

File: 51.01

4 September 2007

## Simplified Super – Not So Simple Or Super

The National President of the Defence Force Welfare Association, David Jamison, welcomed today's announcement by the Shadow Minister for Veteran's Affairs, Alan Griffin MP, that an ALP Government would legislate to remove a recent anomaly created as part of the Government's so-called *Simpler Super* policies. The result of these changes means the tax paid on lump sums by many recently retired or about to retire military personnel has actually increased.

David Jamison pointed out that in April the Government had recognized that the *Simpler Super* changes required amendments to draft regulations to ensure that there was no increase of tax on lump sums paid to any remaining personnel under the old DFRDB military superannuation scheme. At that time, officials held that the current MSBS was not affected.

It now seems there is a problem and, despite the Government "looking into it" for several months, it still doesn't know how to fix it. Now because of this latest Government stumble, retiring service personnel are paying more tax than they were before *Simpler Super* (which is now called *Better Super*).

In evidence given to the Senate Economics Committee on 30 January 2007, Treasury officials admitted that they had no idea of the provisions of the current integrated military superannuation, death and disability schemes, or how *Simpler Super* would interact with them. At least they got that right, said Mr Jamison.

**Contact:** David Jamison – 0416 107 557