



Request to adjust concessional contributions

Form to adjust concessional contributions. Made in one financial year but did not allocate until next financial year.


Last updated 6 October 2015

This form notifies us that you made concessional contributions in one financial year (year 1) but your self-managed superannuation fund (SMSF) did not allocate them to you until the next financial year (year 2).

Most SMSFs use provisions in their trust deeds concerning contribution reserves to enable this strategy. Typically, you will have made these arrangements to allow contributions to be recognised for income tax deductibility and other purposes in year 1 while not being counted towards your concessional contributions cap until year 2. Provided all the associated legal requirements are met, this is a valid strategy under the tax and super laws according to the view outlined in Taxation Determination TD 2013/22. Check you have met these requirements before proceeding to read our instructions and complete the form.

It is important that you use this form when you wish to apply this strategy effectively. The SMSF annual return (NAT 71226) does not otherwise make provision for it, only allowing for correct reporting of contributions that are both allocated by your SMSF and contributed in the same financial year. The information provided in this form allows us to adjust the contributions information provided in the SMSF annual return in order to correctly apply the concessional contributions cap for both years included in the strategy. The instructions for this form also provide instructions on how you, as a trustee, complete the SMSF annual return to correctly account for the contributions reported on this form.

How to obtain this form

You can download this form [Request to adjust concessional contributions \(NAT 74851, PDF, 223 KB\)](#)  in portable document format (PDF).

Instructions

Read these instructions carefully, it is important that you provide all the information we ask for. If you do not, we may not be able to process the form.

Who should use this form?

You need to use this form if you are a member of a SMSF and need to notify us that you made concessional contributions in year 1, but your SMSF did not allocate them to you until year 2, so they are counted towards your concessional contributions cap in year 2.

When to use this form

This form applies to concessional contributions made from 1 July 2014.

You may use the form any time after the contributions have been both made and allocated. We recommend you lodge it with us before, or at the same time, as both the fund's SMSF annual return and your own individual income tax return are lodged. By following this recommendation you may avoid needing to deal with incorrect assessments.

What records do you need to keep?

As for other transactions you enter into as an SMSF member and trustee, you will need to keep records to support your statements in this form. The following are some examples:

- a resolution by trustees in year 1 in accordance with the SMSF's governing rules not to allocate the contribution when it is made but to accept it into a reserve
- evidence of receipt of the contribution by the SMSF
- a resolution by trustees to allocate the contribution from the reserve in year 2

- documentation in relation to any deductible personal contributions (notices and acknowledgments).

Circumstances not covered by this form

For concessional contributions made for the 2013-14 income year, you will need to write to us and ask for an amendment, telling us:

- details of the financial years in which concessional contributions will be adjusted
 - year 1 – the financial year in which the contributions were made to the SMSF but not allocated to you
 - year 2 – the financial year in which the contributions were allocated to you by the SMSF's trustees
- details of concessional contributions to be adjusted
 - personal contributions – the amount of the personal contributions you made to the SMSF in year 1, which were not allocated until year 2, and for which you will be claiming a tax deduction in year 1
 - employer contributions – the amount of the employer contributions, including salary sacrifice contributions, your employer made to the SMSF in year 1 and which were not allocated to you until year 2.

This form cannot be used by a SMSF member using the reserve strategy for non-concessional contributions. If this or any other circumstances are not covered by this form apply to you, you can do either of the following:

- If you have special circumstances and would like us to consider disregarding or reallocating your concessional contributions use **Application - excess contributions determination (NAT 71333)**.
- write to us at:
Australian Taxation Office
GPO Box 9990
YOUR CAPITAL CITY STATE POSTCODE

How to complete this form

Section A: Your details

Provide the following personal details so we can identify you:

1. Tax file number (TFN)
2. name
3. date of birth
4. current postal address
5. daytime phone number (including the area code)

Section B: Your self-managed superannuation fund (SMSF) details:

6. Australian business number (ABN)
7. fund name

How a SMSF reports these contributions in their SMSF Annual Return

This form will not be effective unless the SMSF Annual Return and this form are filled in correctly.

Refer to Examples 1 and 2 in Section D below for guidance on correct reporting.

Section C: Details of the financial years in which concessional contributions will be adjusted

8. Year 1 – provide the financial year in which the contributions were made to the SMSF but not allocated to you.

Note: as a general rule a contribution will be made when the funds are received by your SMSF. For more information about making contributions, refer to Super contributions too much super can mean extra tax, under the heading Timing of contributions.

9. Year 2 – provide the financial year in which the contributions were then allocated to you by the SMSF's trustees.

Note: the contribution will be regarded as allocated when the trustee allocates the amount to your accumulation interest in your SMSF.

Section D: Details of your super contributions to be adjusted:

Personal contributions:

10. Show the amount of the personal contributions you made to the SMSF in year 1, which were not allocated until year 2, and for which you will be claiming a tax deduction in year 1.

Note: in processing your form, we will reduce your concessional contributions for year 1 by the amount shown at this label and increase your concessional contributions for year 2 by the same amount.

Example 1

Jill is self-employed. With her husband Jack, she is both a member and a trustee of an SMSF, the JJ Superannuation Fund.

In January 2015 Jill made a personal contribution of \$25,000 to the fund, intending to claim a deduction for the contribution in her individual income tax return. As trustees, she and Jack allocated this amount to Jill's interest in the fund when it was received.

Having the funds available and wishing to boost her superannuation balance, Jill's financial advisor told her how she could make further deductible personal contributions in June without exceeding the concessional contributions cap for that financial year. On 21 June 2015 Jill acted on that advice and made a second personal contribution of \$25,000. She and Jack, as trustees, chose not to allocate the contribution to Jill until the next financial year. They accounted for the amount as being held in an 'unallocated contributions reserve' as at 30 June 2015.

On 5 July 2015, as a member of the SMSF, Jill gave a notice of intention to claim a deduction for \$50,000 (being the total of the two personal contributions she made in the 2014-15 financial year) to herself and Jack in their role as the fund's trustees. The trustees then, on the same day:

- resolved to allocate the second \$25,000 contribution to Jill
- provided Jill with an acknowledgment of her notice to claim a deduction for the full amount of \$50,000.

In October 2015 Jack and Jill meet with their tax agent and arranged to lodge:

- Jill's individual income tax return for 2014-15, claiming a deduction of \$50,000 for personal superannuation contributions.
- Jill's *Request to adjust concessional contributions form*, reporting
 - 2015 at 'year 1' (Question 8) – the financial year the second personal contribution was made to the fund
 - 2016 at 'year 2' (Question 9) – reporting the financial year within which that same contribution was then allocated to Jill's interest
 - \$25,000 at Question 10 – reporting the amount of her deductible personal contributions that were made in year 1 but not allocated to Jill's interest until year 2
- the fund's SMSF annual return for the 2014-15 financial year where they report for Jill's personal contributions:
 - \$50,000 in Section B (Income) Item 11 label **R2** (Assessable personal contributions)
 - \$50,000 in Section F (Member information) at label **B** (Personal contributions)
 - \$50,000 + the remainder of Jill's balance in the fund in Section H (Assets and Liabilities) at label **W** (Total member closing account balances).

Although they treated \$25,000 of that amount as being held in a reserve at 30 June 2015, they did not report \$25,000 at label **X** (reserves) in order to ensure the various totals on the annual return could be reconciled.

Note that in the 2016 SAR (year 2), they do not show any of the \$25,000 contribution in Section F (Member Information) labels **B** or **K**.

The ATO refers to both the SMSF annual return and the *Request to adjust concessional contributions form* in calculating Jill's concessional contributions to be:

- \$25,000 for 2014-15

\$25,000 for 2015-16 (assuming Jill makes no further contributions in that year)

Employer Contributions:

11. Show the amount of the employer contributions, including salary sacrifice contributions, your employer made to the SMSF in year 1 and which were not allocated to you until year 2.

Example 2

Jill and Jack are members and trustees of the JJ Superannuation Fund, an SMSF. Jack is employed by Hill Waterworks Pty Ltd. They have a salary sacrifice agreement in place under which performance bonuses, determined in January and June each year, are paid by the employer as super contributions to Jack's SMSF. Jack's employer also makes regular superannuation guarantee contributions of \$1,000 per month to his SMSF.

In January 2015 Jack's employer awards him a \$13,000 bonus and pays that amount as a super contribution to Jack's SMSF. As trustees Jack and Jill, allocate \$13,000 to Jack's interest in the fund when it is received.

On 25 June 2015 Jack's employer awards him a \$25,000 bonus and pays that amount as a superannuation contribution to Jack's SMSF. As trustees, Jack and Jill had planned how to manage this amount in order to ensure Jack does not exceed his concessional contributions cap. They decide to delay allocation of the contribution. On 30 June it was accounted for as 'unallocated contributions' in accordance with the SMSF's trust deed. On 5 July 2015 Jack and Jill then resolve to allocate the \$25,000 contribution to Jack, bringing its allocation into the 2015-16 financial year.

Jack completes and lodges the Request to adjust concessional contributions form reporting:

- 2015 at 'year 1' (Question 8) – the financial year within which the employer contribution was made to the fund
- 2016 at 'year 2' (Question 9) – reporting the financial year within which that same contribution was then allocated to

Jack

- \$25,000 at Question 11 – reporting the amount of his employer contributions that were made in year 1 but not allocated to Jack’s interest until year 2.

In October 2015 Jack and Jill lodge the SMSF’s annual return for the 2014-15 financial year. They report the following information relating to the contributions made by Jack’s employer:

- \$50,000 in Section B (Income) Item 11 label **R1** (Assessable employer contributions)
- \$50,000 in Section F (Member information) at label **A** (Employer contributions).
- \$50,000 + the remainder of Jack’s balance in the fund, in Section H (Assets and Liabilities) at label **W** (Total member closing account balances).

Although they treated \$25,000 of that amount as being held in a reserve at 30 June 2015, they did not report \$25,000 at label **X** (reserves) in order to ensure the various totals on the annual return could be reconciled.

Note that in the 2016 SAR (year 2), they do not show any of the \$25,000 contribution in Section F (Member Information) labels **A** or **K**.

The ATO calculates Jack’s concessional contributions as follows:

- \$25,000 for the 2014-15 financial year
- \$25,000 for the 2015-16 financial year (total to date – this amount may increase if Jack’s employer makes additional contributions to his SMSF).

Section E: Declaration

There are two declarations on this form – one for an individual and one for an agent or authorised officer. Complete the declaration that applies to you. Print your full name then sign and date the declaration.

Lodging your form

Either post your form to the address stated on the form, or fax it to the number stated on the form.

Note: Ensure you complete all parts of the form and sign the applicable declaration before sending your form to us.

QC 46558

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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