



Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026

I, the Honourable Sam Mostyn AC, Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulations.

Dated 11 June 2026

Sam Mostyn AC
Governor-General

By Her Excellency's Command

Dr Daniel Mulino
Assistant Treasurer
Minister for Financial Services

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1 Name

This instrument is the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 to 4 and anything in this instrument not elsewhere covered by this table	The day after this instrument is registered.	19 June 2026
2. Schedules 1 and 2	Immediately after the commencement of the provisions covered by table item 4.	19 June 2026
3. Schedule 3	Immediately after the commencement of the provisions covered by table item 2.	19 June 2026
4. Schedule 4	The day after this instrument is registered.	19 June 2026

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the following:

- (a) the *Income Tax Assessment Act 1997*;
- (b) the *Income Tax (Transitional Provisions) Act 1997*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Better targeted superannuation concessions

Income Tax Assessment (1997 Act) Regulations 2021

1 Subsection 3(2)

Omit “and 291-170.07”, substitute “, 291-170.07 and 296-60.01”.

2 After Division 295

Insert:

Division 296—Better targeted superannuation concessions

Subdivision 296-B—Better targeted superannuation concessions

296-55.01 Meaning of *Division 296 excluded interest*—current and former constitutionally protected State higher level office holders

For the purposes of item 1 of the table in subsection 296-55(3) of the Act, an individual who is or has ever been a State higher level office holder is declared.

296-55.02 Amount taken to be nil—pensions payable under section 123 of the *Federal Circuit and Family Court of Australia Act 2021*

For the purposes of paragraph 296-55(2)(c) of the Act, your relevant superannuation earnings for a superannuation interest that supports an income stream that is a pension payable under section 123 of the *Federal Circuit and Family Court of Australia Act 2021* are prescribed.

Note: An amount prescribed for the purposes of paragraph 296-55(2)(c) of the Act is taken to be nil, for the purposes of working out the amount of your total superannuation earnings for an income year.

296-60.01 CGT adjustment—prescribed factors for subsection 296-60(2) of the *Income Tax (Transitional Provisions) Act 1997*

For the purposes of subsection 296-60(2) of the *Income Tax (Transitional Provisions) Act 1997*, the following factors are prescribed:

- (a) for the 2026-27 income year—0.2;
- (b) for the 2027-28 income year—0.4;
- (c) for the 2028-29 income year—0.6;
- (d) for the 2029-30 income year—0.8.

296-65.01 Relevant superannuation earnings—prescribed superannuation interests

For the purposes of paragraph 296-65(2)(b) of the Act, the following superannuation interests are prescribed:

- (a) an interest supporting a superannuation income stream, if there is no account balance attributable to the beneficiary in relation to the income stream;
- (b) an interest supporting a military invalidity income stream;
- (c) an interest in the superannuation fund mentioned in paragraph 29(1)(a) of the *State Superannuation Act 2000* (WA);
- (d) an interest in a fund established by a provision of the *Southern State Superannuation Act 2009* (SA), other than paragraph 30(2)(h) of that Act;
- (e) an interest that you are treated as having under subsection 307-230(3) of the Act because you are a non-member spouse in relation to another superannuation interest.

296-65.02 Relevant superannuation earnings—determination of amount attributable to superannuation interest

For the purposes of subsection 296-65(3) of the Act, the amount attributable to a superannuation interest for an income year must be determined with regard to the following matters:

- (a) the characteristics of the interest;
- (b) the period in the year for which the interest existed;
- (c) earnings associated with the interest:
 - (i) including amounts of earnings that are directed to reserves; and
 - (ii) regardless of whether or not the earnings are reflected in an account balance associated with the interest;
- (d) changes in the value of the interest;
- (e) the investment options that the interest is invested in, and any changes to the investment options;
- (f) if:
 - (i) you die in the income year; and
 - (ii) because of your death, another person becomes a retirement phase recipient of a superannuation income stream supported by the interest;

the periods in the year before and after the other person becomes a retirement phase recipient as mentioned in subparagraph (ii);
- (g) if:
 - (i) you die in the income year; and
 - (ii) because of subsection 296-70.04(2), earnings for any period after the end of the income year are to be attributed in accordance with this section;

the period mentioned in subparagraph (ii) of this paragraph;
- (h) the principle that, if the superannuation interest is in a class of interests in the superannuation fund, approved deposit fund or RSA that is identifiable with regard to:
 - (i) the assets to which interests in the class relate; and
 - (ii) the level of risk associated with interests in the class;

amounts should be attributed to the interest in a way that is consistent with the way amounts are attributed to other interests in the same class;
- (i) the principle that amounts should be attributed in a way that is fair to all members and other beneficiaries of the superannuation fund, approved deposit fund or RSA;

- (j) the principle that the amount should not include earnings attributable to superannuation interests to which subsection 296-65(3) does not apply.

Note: An amount determined in accordance with this section may be negative.

296-65.03 Relevant superannuation earnings—interests in small superannuation funds

- (1) For the purposes of subsection 296-65(5) of the Act, the amount attributable to a superannuation interest (the *relevant interest*) in a small superannuation fund for your year must be determined in accordance with this section for an income year (the *fund year*) of the fund.

Note: If you die during your year, amounts from multiple fund years may be attributable to the relevant interest for your year (see subsection 296-70.04(2)).

- (2) The amount is to be worked out in accordance with the following formula:

$$\begin{array}{l} \text{Division 296} \\ \text{fund earnings} \\ \text{for the fund} \\ \text{for the fund year} \end{array} \times \frac{\begin{array}{l} \text{Average total superannuation balance value} \\ \text{of the relevant interest} \end{array}}{\begin{array}{l} \text{Average sum of the total} \\ \text{superannuation balance values} \\ \text{of non-excluded} \\ \text{superannuation interests} \end{array} + \begin{array}{l} \text{Average sum} \\ \text{of the value of all} \\ \text{pension reserves} \end{array}}$$

where:

average sum of the total superannuation balance values of non-excluded superannuation interests means the average for the fund year of the sum of the total superannuation balance values of all superannuation interests in the fund, other than superannuation interests to which subsection 296-65(2) of the Act applies.

average total superannuation balance value of the relevant interest means the average for the fund year of the total superannuation balance value of the relevant interest.

average sum of the value of all pension reserves means the average for the fund year of the sum of the values of all pension reserves of the fund.

- (3) The amount worked out under subsection (2) is taken to be nil if the sum of the following amounts is nil:
- (a) the average sum of the total superannuation balance values of non-excluded superannuation interests;
 - (b) the average sum of the value of all pension reserves.
- (4) For the purposes of subsection (2):
- (a) if a superannuation interest in the fund exists for only part of the fund year, the interest is taken to have a total superannuation balance value of nil for any period in the fund year during which the interest does not exist; and
 - (b) if a pension reserve of the fund exists for only part of the fund year, the pension reserve is taken to have a value of nil for any period in the fund year during which the pension reserve does not exist.
- (5) For the purposes of working out the average total superannuation balance value of the relevant interest, if:

- (a) you die; and
 - (b) because of your death, another person becomes a retirement phase recipient of a superannuation income stream supported by the relevant interest;
- the total superannuation balance value of the relevant interest is taken to be nil for any time after the relevant interest begins to support the income stream.

Note: The total superannuation balance value of the relevant interest is still taken into account in working out the average sum of the total superannuation balance values of all of the superannuation interests in the fund. This may happen if, for example, after your death the relevant interest continues to be an interest in the fund because it supports a superannuation income stream as mentioned in paragraph (5)(b).

- (6) The amount attributable to the superannuation interest must be determined wholly by reference to an actuary's certificate, unless either:
 - (a) the Division 296 fund earnings for the fund for the fund year are nil; or
 - (b) all of the following apply:
 - (i) one individual (the *sole member*) is a member of the fund for all or part of the fund year;
 - (ii) no other individual is a member of the fund at any time in the fund year;
 - (iii) the sole member does not, at any time in the fund year, hold a superannuation interest in the fund that subsection 296-65(5) of the Act does not apply to.

296-70.01 Relevant superannuation earnings—prescribed factor

For the purposes of the definition of *prescribed factor* in subsection 296-70(1) of the Act, the value is 0.825.

296-70.02 Relevant superannuation earnings—your contributions total

- (1) For the purposes of the definition of *your contributions total* in subsection 296-70(1) of the Act, the amount for an income year for a superannuation interest (the *relevant interest*) mentioned in subsection 296-65(2) of the Act is the total of the following amounts:
 - (a) if the relevant interest is, or includes, a defined benefit interest in a superannuation fund—your non-retirement-phase member contributions amount for the relevant interest for the year (see subsection (2));
 - (b) the amount of your defined benefit contributions for the year in respect of the relevant interest;
 - (c) if the relevant interest is an interest in a constitutionally protected fund, and is not a defined benefit interest—contributions made to the fund in respect of you, and in respect of the relevant interest, for the year;
 - (d) the amount of a roll-over superannuation benefit that is paid, rolled over, transferred, allotted or credited into the relevant interest during the year;
 - (e) if the relevant interest is a superannuation interest that, under subsection 307-230(3) of the Act, you begin to be treated as having at any time in the year—the total superannuation balance value of the interest at that time;
 - (f) the total superannuation balance value of the relevant interest at a particular time in the year, if:

- (i) at that time, you start to receive a death benefit income stream because of the death of another person; and
 - (ii) the relevant interest supports the death benefit income stream;
- (g) the total superannuation balance value of the relevant interest at a particular time in the year, if:
 - (i) at that time, a pension under section 16 of the *Australian Defence Force Cover Act 2015* begins to be payable to you; and
 - (ii) the relevant interest supports the pension;
- (h) an amount that becomes included in the relevant interest during the year because of an amount that:
 - (i) is paid into the relevant interest under an insurance policy; and
 - (ii) is payable because of the death or total and permanent disability of the insured person or because a terminal medical condition exists in relation to the person;
- (i) if you die during the year—an amount that becomes included in the relevant interest after the end of the year because of an amount that:
 - (i) is paid into the relevant interest, under an insurance policy, after the end of the year; and
 - (ii) is payable because of your death, or because of your total and permanent disability before your death, or because a terminal medical condition existed in relation to you before your death;
- (j) the amount by which the total superannuation balance value of the relevant interest increases during the year as a result of any of the following matters (the **relevant matter**):
 - (i) your death;
 - (ii) your permanent incapacity (within the meaning of the SIS Act);
 - (iii) a terminal medical condition that exists in relation to you;unless, at any time (whether during, before or after the year), an amount is paid into the relevant interest under an insurance policy, as mentioned in subparagraph (h)(i) or (i)(i), because of the relevant matter;
- (k) the amount worked out under subsection (3), if an amount is transferred into the relevant interest from a foreign superannuation fund for your benefit during the year;
- (l) if the relevant interest supports a deferred superannuation income stream:
 - (i) that paragraph 307-70.02(1)(c) applies to; and
 - (ii) that is neither a pooled investment pension nor a pooled investment annuity;any amount of consideration paid in the year for the relevant interest for the income stream;
- (m) the amount by which the total superannuation balance value of the relevant interest increases during the year because of any of the following:
 - (i) a payment for compensation for a loss suffered as a result of fraud or dishonesty;
 - (ii) a remediation payment;
 - (iii) a military invalidity income stream becomes payable to you;
 - (iv) if the relevant interest supports a military invalidity income stream that is payable to you—the amount that is payable increases because you are reclassified in respect of your incapacity;
- (n) an amount allocated to the relevant interest for the year:

- (i) in accordance with the conditions specified in section 291-25.01 or 292-90.01; or
- (ii) where any of subsections 292-90.02(2) to (6) apply in relation to the allocation.

Member contributions amount—defined benefit interest not in the retirement phase

- (2) For the purposes of paragraph (1)(a), your non-retirement-phase member contributions amount for the relevant interest for the year is the amount of member contributions:
 - (a) paid by or on behalf of you in respect of the relevant interest at any time during the year, other than a time when the relevant interest was in the retirement phase; and
 - (b) which are not assessable income of the superannuation fund mentioned in that paragraph;
 but excluding any amounts which are not assessable income of the fund because of:
 - (c) item 5.3 of the table in section 50-25 of the Act; or
 - (d) a choice made under section 295-180 of the Act.

Lump sums transferred from foreign superannuation funds

- (3) For the purposes of paragraph (1)(k):
 - (a) if you do not make a choice under subsection 305-80(2) of the Act that applies to any of your applicable fund earnings—the amount is the amount transferred into the relevant interest; or
 - (b) if you make a choice under subsection 305-80(2) of the Act that applies to all or part of your applicable fund earnings—the amount is to be worked out in accordance with the following formula:

$$\text{The amount transferred into the relevant interest} - \left(0.15 \times \text{The amount that the choice applies to} \right)$$

Avoidance of double-counting

- (4) To avoid doubt, do not include an amount, or part of an amount, in the total mentioned in subsection (1) more than once, even if more than one provision of that subsection applies to the amount or part of the amount.

296-70.03 Relevant superannuation earnings—your withdrawals total

- (1) For the purposes of the definition of *your withdrawals total* in subsection 296-70(1) of the Act, the amount for an income year for a superannuation interest (the *relevant interest*) that is mentioned in subsection 296-65(2) of the Act is the total of the following amounts:
 - (a) the amount of a superannuation benefit paid, rolled over, transferred or allotted from the relevant interest during the year (subject to subsections (2) to (5) of this section);
 - (b) if:

- (i) the relevant interest becomes subject to a payment split at any time in the year; and
 - (ii) at that time, the non-member spouse in relation to the interest is treated, under subsection 307-230(3) of the Act, as having a superannuation interest (the *non-member spouse's interest*) because of the payment split;

the total superannuation balance value of the non-member spouse's interest at that time;
 - (c) if:
 - (i) you die during the year; and
 - (ii) at any time in the year, or in any later income year, another person starts to receive a death benefit income stream, that is supported by the relevant interest, because of your death;

the total superannuation balance value of the relevant interest at that time;
 - (d) if:
 - (i) you die during the year; and
 - (ii) at any time in the year, or in any later income year, another person receives a superannuation death benefit from the relevant interest because of your death; and
 - (iii) the superannuation death benefit is not paid from a death benefit income stream that is supported by the relevant interest;

the amount of the superannuation death benefit;
 - (e) the amount by which the total superannuation balance value of the relevant interest decreases during the year because of any of the following:
 - (i) a military invalidity income stream that was payable to you ceases to be payable to you;
 - (ii) if the relevant interest supports a military invalidity income stream that is payable to you—the amount that is payable decreases because you are reclassified in respect of your incapacity.
- (2) For the purposes of paragraph (1)(a), treat a superannuation benefit as being paid from the relevant interest if:
- (a) the relevant interest is an interest that you are treated, under subsection 307-230(3) of the Act, as having because another superannuation interest is subject to a payment split; and
 - (b) the superannuation benefit is paid to you because of the payment split.
- (3) For the purposes of paragraph (1)(a), if:
- (a) a superannuation benefit is paid because the relevant interest is subject to a payment split; and
 - (b) when the benefit is paid, the non-member spouse in relation to the relevant interest is treated, under subsection 307-230(3) of the Act, as having a superannuation interest because the relevant interest is subject to the payment split;
- the amount paid to the non-member spouse is to be disregarded.
- (4) For the purposes of paragraph (1)(a), disregard the following amounts:
- (a) an amount of superannuation death benefits paid to another person from the relevant interest;

- (b) an amount paid to another person from a death benefit income stream supported by the relevant interest.
- (5) For the purposes of paragraph (1)(a), disregard an amount:
 - (a) that is paid from a military invalidity income stream; and
 - (b) that is paid in arrears because of a decision (however described) about your incapacity (however described) (including a decision about your classification in respect of incapacity), where the decision applies to a period before the decision is made; and
 - (c) where the amount, or a corresponding amount, is not included in your contributions total for the year or any previous income year under section 296-70.02 for the purposes of subsection 296-70(1) of the Act.

Exclusion—fraud or dishonesty

- (6) Do not include in the total mentioned in subsection (1) an amount in relation to which all of the following paragraphs apply:
 - (a) the amount arose, in circumstances mentioned in one or more of the paragraphs of subsection (1), as a result of fraud or dishonesty;
 - (b) an individual has been convicted of an offence involving that fraud or dishonesty;
 - (c) you notify the Commissioner in the approved form of the matters mentioned in paragraphs (a) and (b) of this subsection.

Note: For *approved form*, see subsection 995-1(1) of the Act.

Avoidance of double-counting

- (7) To avoid doubt, do not include an amount, or part of an amount, in the total mentioned in subsection (1) more than once, even if more than one provision of that subsection applies to the amount or part of the amount.

296-70.04 Modification of sections 296-65 and 296-70 of the Act in relation to deceased individual

- (1) For the purposes of subsection 296-75(1) of the Act, this section prescribes modifications of sections 296-65 and 296-70 of the Act that apply to an individual (the *deceased individual*) who dies during an income year (the *relevant year*) of the deceased individual.
- (2) If subsection 296-65(1) of the Act applies in relation to a superannuation interest of the deceased individual for the relevant year, then, for the purposes of working out the deceased individual's relevant superannuation earnings for the interest for the relevant year, paragraph (b) of that subsection is taken to refer to:
 - (a) the income year, of the entity mentioned in paragraph (a) of that subsection, that is the same period as the relevant year (or that, of the income years of the entity, covers the most of the relevant year); and
 - (b) any later income year of that entity that includes any of the period between the death of the deceased individual and the earlier of the following:
 - (i) the time when all superannuation death benefits have been paid or distributed from the interest;
 - (ii) the time when, because of the deceased individual's death, another person starts to receive a death benefit income stream.

- (3) If section 296-70 of the Act applies in relation to a superannuation interest of the deceased individual for the relevant year, then, for the purposes of applying the formula in subsection 296-70(1) of the Act to work out the deceased individual's relevant superannuation earnings for the relevant year for the interest, the total superannuation balance value of the interest at the end of the relevant year is taken to be nil.

Note 1: Certain contributions and withdrawals that occur after the relevant year are counted in the relevant year for the purposes of subsection 296-70(1) of the Act (see in particular paragraphs 296-70.02(1)(i) and 296-70.03(1)(c) and (d)).

Note 2: If another person receives a superannuation death benefit from the interest, or a death benefit income stream supported by the interest, subsection (3) does not affect the total superannuation balance value of the interest for the purposes of working out the other person's relevant superannuation earnings.

3 At the end of section 307-200.03

Add:

- (5) This section does not apply for the purposes of calculating an amount of Division 296 tax under Division 296 of the Act.

4 Section 995-1.01

Insert:

death benefit income stream, in relation to a superannuation interest, means:

- (a) a superannuation income stream:
- (i) that a person is a retirement phase recipient of because of the death of another person; and
 - (ii) that is supported by the superannuation interest; or
- (b) an income stream (other than a superannuation income stream):
- (i) that is payable to a person because of the death of another person; and
 - (ii) that is supported by the superannuation interest.

military invalidity income stream means an income stream that is any of the following:

- (a) invalidity pay within the meaning of the *Defence Force Retirement and Death Benefits Act 1973*;
- (b) invalidity pension under the Military Superannuation and Benefits Scheme;
- (c) a pension payable under section 16 of the *Australian Defence Force Cover Act 2015*.

Schedule 2—Total superannuation balance value and the value of superannuation interests

Part 1—Amendments consequential on Treasury Laws Amendment (Building a Stronger and Fairer Super System) Act 2026

Income Tax Assessment (1997 Act) Regulations 2021

1 Subsections 307-205.01(1) and 307-205.02(1)

Omit “paragraph 307-205(1)(a)”, substitute “paragraph 307-205(a)”.

2 Sections 307-205.02A and 307-205.02B

Omit “paragraph 307-205(1)(a)”, substitute “paragraph 307-205(a)”.

3 Subsections 307-205.02C(1), 307-205.02D(1) and 307-205.02E(1)

Omit “paragraph 307-205(1)(a)”, substitute “paragraph 307-205(a)”.

Part 2—Total superannuation balance value and the value of superannuation interests

Division 1—Main amendments

Income Tax Assessment (1997 Act) Regulations 2021

4 Subsection 307-205.02C(1)

After “a particular time”, insert “(the *valuing time*)”.

5 Subsection 307-205.02C(2)

Repeal the subsection (not including the note), substitute:

- (2) If the valuing time is at or before the time (the *payment start time*) at which the contract or rules for the provision of the deferred superannuation income stream provide for payments of the income stream to start, the value of the interest at the valuing time is the greater of:
 - (a) the total amount of the superannuation benefits that would become payable if the individual voluntarily caused the interest to cease at the valuing time; and
 - (b) the amount worked out by:
 - (i) adding together each amount of consideration paid for the interest for the income stream, and that amount’s associated notional earnings, as worked out under subsection (3) for the day that includes the valuing time; and
 - (ii) subtracting, from the amount worked out under subparagraph (i), any amount commuted from the deferred superannuation income stream before the valuing time.
- (2A) If the valuing time is after the payment start time, the value of the interest at the valuing time is the amount worked out under regulation 1.06B of the *Superannuation Industry (Supervision) Regulations 1994* for a commutation of the deferred superannuation income stream that occurs at the valuing time.

6 At the end of Subdivision 307-D

Add:

307-230A.01 Total superannuation balance value—defined benefit interests not in retirement phase

- (1) Subsection (2) applies in relation to a defined benefit interest at a particular time if, at that time:
 - (a) the interest is not in the retirement phase; and
 - (b) the interest has a family law value; and
 - (c) subsection (4) of this section does not apply to the interest.
- (2) For the purposes of paragraph 307-230A(1)(a) of the Act:
 - (a) if there is no alternative valuation method for the interest—the family law value is specified; or

- (b) if there is an alternative valuation method for the interest—the alternative valuation method is specified.

Certain lump sum-only interests

- (3) Subsection (4) applies in relation to a defined benefit interest at a particular time if, at that time:
 - (a) the interest is not in the retirement phase; and
 - (b) section 307-230A.08 applies to the interest.
- (4) For the purposes of paragraph 307-230A(1)(a) of the Act:
 - (a) if there is no alternative valuation method for the interest—the vested benefits total of the interest is specified; or
 - (b) if there is an alternative valuation method for the interest—the alternative valuation method is specified.

Note: For the total superannuation balance value of a superannuation interest that is not a superannuation interest to which this section or section 307-230A.02 of this instrument relates, see paragraph 307-230A(1)(b) of the Act.

307-230A.02 Total superannuation balance value—superannuation interests in retirement phase

Superannuation interests that have family law values

- (1) Subject to subsections (5) and (6), subsection (2) applies in relation to a superannuation interest at a particular time if, at that time:
 - (a) the interest is in the retirement phase; and
 - (b) the interest has a family law value.
- (2) For the purposes of paragraph 307-230A(1)(a) of the Act:
 - (a) if there is no alternative valuation method for the interest—the family law value is specified; or
 - (b) if there is an alternative valuation method for the interest—the alternative valuation method is specified.

Other superannuation interests

- (3) Subject to subsections (5) and (6), subsection (4) applies in relation to a superannuation interest at a particular time if, at that time:
 - (a) the interest is in the retirement phase; and
 - (b) the interest does not have a family law value.
- (4) For the purposes of paragraph 307-230A(1)(a) of the Act, the value of the interest (within the meaning of section 307-205 of the Act) is specified.

Superannuation interests to which this section does not apply

- (5) This section does not apply in relation to a superannuation interest at a particular time if the interest supports any of the following superannuation income streams at that time:
 - (a) an allocated annuity;
 - (b) an allocated pension;
 - (c) an allocated pension (within the meaning of the RSA Regulations);

- (d) an account-based annuity;
- (e) an account-based pension (within the meaning of the SIS Regulations);
- (f) an account based pension (within the meaning of the RSA Regulations);
- (g) a market linked annuity (within the meaning of the SIS Regulations);
- (h) a market linked pension (within the meaning of the SIS Regulations);
- (i) a market linked pension (within the meaning of the RSA Regulations).

Note: For the total superannuation balance value of a superannuation interest that supports any of those superannuation income streams, see paragraph 307-230A(1)(b) of the Act.

- (6) This section does not apply in relation to a superannuation interest to which subsection 307-230A.03(2) or (4) applies.

307-230A.03 Total superannuation balance value—certain other superannuation interests

- (1) Subsection (2) applies in relation to a superannuation interest at a particular time if, at that time, either:
 - (a) the interest supports an income stream that is a pension payable under section 16 or 26 of the *Australian Defence Force Cover Act 2015*; or
 - (b) the interest supports an income stream that is a pension payable under section 123 of the *Federal Circuit and Family Court of Australia Act 2021*.
- (2) For the purposes of paragraph 307-230A(1)(a) of the Act:
 - (a) if there is no alternative valuation method for the interest—the family law value is specified; or
 - (b) if there is an alternative valuation method for the interest—the alternative valuation method is specified.
- (3) Subsection (4) applies to a superannuation interest at a particular time, if, at that time, the interest supports a superannuation income stream provided under a contract or rules that meet the standards of subregulation 1.06A(2) of the SIS Regulations.
- (4) For the purposes of paragraph 307-230A(1)(a) of the Act, the following value is specified:
 - (a) if section 307-230A.09 applies to the interest—the maximum commutation amount of the interest;
 - (b) otherwise—the value of the interest (within the meaning of section 307-205 of the Act).

307-230A.04 Total superannuation balance value—family law value

- (1) This section applies in relation to a superannuation interest at a time occurring on a particular day if:
 - (a) a method or factor is approved to be used to determine the gross value of the interest on that day under section 62 or 70 of the *Family Law (Superannuation) Regulations 2025*; or
 - (b) Schedule 3, 5, 7 or 8 to that instrument sets out a method for determining the gross value of the interest on that day; or
 - (c) Schedule 6 or 9 to that instrument sets out a method for determining the value of the interest on that day.

- (2) The superannuation interest has a *family law value* equal to:
- (a) if paragraph (1)(a) of this section applies—the gross value of the interest on that day, determined using the method or factors approved for the interest as mentioned in paragraph (1)(a); or
 - (b) if paragraph (1)(a) does not apply, but paragraph (1)(b) applies—the gross value of the interest on that day, determined using the method mentioned in paragraph (1)(b); or
 - (c) if paragraphs (1)(a) and (b) do not apply, but paragraph (1)(c) applies—the value of the interest on that day, determined using the method mentioned in paragraph (1)(c).
- (3) For the purposes of this section:
- (a) treat a reference in Schedule 3, 5, 6, 7 or 9 to the *Family Law (Superannuation) Regulations 2025* to “member spouse” as being a reference to “member”; and
 - (b) treat a reference in Schedule 3, 5, 7 or 8 to that instrument to the relevant date as being a reference to the day mentioned in subsection (1) of this section; and
 - (c) treat a reference in Schedule 6 or 9 to that instrument to the termination time as being a reference to the time mentioned in subsection (1) of this section; and
 - (d) disregard the words “provided by the trustee under section 90XZB or 90YZR of the Act” in subclauses 38(1) and (2) of Schedule 3 to that instrument; and
 - (e) disregard the words “as provided by the trustee under section 90XZB or 90YZR of the Act” wherever they occur in Schedules 3, 5 and 7 to that instrument; and
 - (f) disregard paragraph 44(2)(b) of that instrument (about self managed superannuation funds); and
 - (g) for any provision of the *Family Law (Superannuation) Regulations 2025* that applies differently depending on the member’s gender—treat the member as being male; and
 - (h) for any method or factor mentioned in subsection (2) that applies differently depending on whether there is, or will be, a reversionary beneficiary (within the meaning of Part VIIIB or VIIC of that Act)—treat the member as if there is not, and will not be, a reversionary beneficiary.

307-230A.05 Total superannuation balance value—alternative valuation method

- (1) This section applies in relation to a superannuation interest at a particular time if, at that time:
- (a) the interest has a family law value; and
 - (b) a certificate is in force in relation to the interest under section 307-230A.06.
- (2) The method specified in the certificate is the *alternative valuation method* for the interest.

**307-230A.06 Total superannuation balance value—alternative valuation
method: issuing certificates**

Issuing certificates

- (1) A superannuation actuary may issue a certificate under this subsection in relation to specified superannuation interests in a particular defined benefit fund if:
 - (a) the superannuation actuary is requested to do so by the trustee of the fund; and
 - (b) in the opinion of the superannuation actuary, a specified method for determining the value of the interests meets the requirements of subsection (3) at a specified time; and
 - (c) the specified method:
 - (i) was used by the trustee to determine the value of the interests just before 1 July 2026; or
 - (ii) if the trustee did not use a method to determine the value of the interests just before 1 July 2026—is to treat the vested benefits total of an interest as being the value of the interest.
- (2) The specified superannuation interests must be:
 - (a) all superannuation interests in the fund; or
 - (b) all superannuation interests in the fund of members who belong to a specified benefit category.
- (3) The specified method meets the requirements of this subsection at a particular time if:
 - (a) all of the specified interests have family law values at that time; and
 - (b) were the specified method used to determine the value, at that time, of all of the specified superannuation interests, the value determined for each of at least 95% of those interests would be:
 - (i) not less than 90% of the family law value of the interest; and
 - (ii) not greater than 110% of the family law value of the interest.
- (4) The certificate must:
 - (a) be in writing; and
 - (b) state:
 - (i) the name of the fund; and
 - (ii) the name of the superannuation actuary; and
 - (iii) that, in the opinion of the superannuation actuary, the specified method for determining the value of the specified interests meets the requirements of subsection (3) at the specified time.

When certificate is in force

- (5) Subject to subsection (6), a certificate (the **current certificate**) issued under subsection (1) in relation to superannuation interests in a defined benefit fund:
 - (a) comes into force at the specified time mentioned in subsection (1) (even if that time occurs before the certificate is issued); and
 - (b) ceases to be in force at the earliest of the following times:
 - (i) the end of 3 years starting when the certificate comes into force;
 - (ii) when the certificate is withdrawn under section 307-230A.07;

- (iii) when another certificate that is issued under subsection (1) and that relates to any of the superannuation interests to which the current certificate relates comes into force.
- (6) However, the certificate is not in force at a particular time (the *balance time*) if:
 - (a) before the certificate is issued, the trustee of the fund gives to the Commissioner a statement under subsection 390-5(1) in Schedule 1 to the *Taxation Administration Act 1953* in relation to an individual who holds any of the specified interests; and
 - (b) the statement contains the total superannuation balance value at the balance time of any of the specified interests.

307-230A.07 Total superannuation balance value—alternative valuation method: withdrawing certificates

Withdrawal by superannuation actuary

- (1) A superannuation actuary must, at a particular time, withdraw a certificate issued under subsection 307-230A.06(1) in relation to superannuation interests in a defined benefit fund if:
 - (a) the certificate is in force; and
 - (b) the superannuation actuary, in the performance of the superannuation actuary's functions under the Act, this instrument, the SIS Act or the SIS Regulations, forms the opinion that the method specified in the certificate does not, at that time, meet the requirements of subsection 307-230A.06(3) of this instrument in relation to the interests.
- (2) A withdrawal under subsection (1) of this section must be:
 - (a) in writing; and
 - (b) given to the trustee of the defined benefit fund.

Withdrawal by trustee

- (3) A trustee of a defined benefit fund may withdraw a certificate issued under subsection 307-230A.06(1) in relation to superannuation interests in the fund at any time while the certificate is in force.
- (4) A withdrawal under subsection (3) of this section must be in writing.

307-230A.08 Total superannuation balance value—vested benefits total

- (1) This section applies in relation to a superannuation interest of an individual in a superannuation fund at a particular time (the *application time*) if:
 - (a) under the rules of the fund, the superannuation interest in the fund:
 - (i) can never support a superannuation income stream; and
 - (ii) cannot cease in order to commence another superannuation interest in the fund that supports a superannuation income stream; and
 - (b) at the time (the *test time*) 12 months before the application time:
 - (i) this section applied in relation to the interest, and the vested benefits total of the interest was 50% or less of the large superannuation balance threshold at the test time; or

- (ii) if the interest arose in the 12 months before the application time as a direct result of the payment by a fund (the *original fund*) of an involuntary roll-over superannuation benefit, relating to the cessation of an interest in the original fund (the *previous interest*), to a successor fund—the previous interest did not exist; or
 - (iii) if the interest did not arise as a direct result of the payment of an involuntary roll-over superannuation benefit to a successor fund—the interest did not exist; and
- (c) the interest does not support, and can never support:
 - (i) a military invalidity income stream; or
 - (ii) a pension to which any paragraph of subsection 307-70.02(1A) applies.
- (2) A reference in paragraph (1)(a) to a superannuation income stream does not include a superannuation income stream under which an amount is payable to a person because of:
 - (a) the person's temporary inability to engage in gainful employment; or
 - (b) the person's permanent inability to engage in gainful employment for which the person is reasonably qualified by education, training or experience.
- (3) The *vested benefits total* of the interest at a particular time is the total value of the superannuation benefits to which the individual would become entitled if, at that time, the individual:
 - (a) both:
 - (i) had the right to cause the superannuation interest to cease; and
 - (ii) voluntarily caused the superannuation interest to cease; or
 - (b) became entitled to a superannuation income stream that:
 - (i) was a SIS pension or an RSA pension; and
 - (ii) was supported by the superannuation interest; or
 - (c) became entitled to a deferred benefit of the superannuation interest.
- (4) For the purposes of subsection (3), the total value mentioned in that subsection is to be worked out in accordance with accounting standards in force at the time mentioned in that subsection (even if the standard does not otherwise apply to the superannuation fund).

307-230A.09 Total superannuation balance value—maximum commutation amount

- (1) This section applies to a superannuation interest at a particular time if, at that time:
 - (a) the interest supports a superannuation income stream provided under a contract or rules that meet the standards of subregulation 1.06A(2) of the SIS Regulations; and
 - (b) sections 307-205.02C, 307.205.02D and 307.205.02E of this instrument do not apply to the interest.
- (2) The *maximum commutation amount* of the interest is the amount worked out under paragraph 1.06B(1)(c) of the SIS Regulations for the superannuation income stream at that time.

7 Section 995-1.01

Insert:

alternative valuation method has the meaning given by subsection 307-230A.05(2).

8 Section 995-1.01 (paragraph (b) of the definition of *benefit category*)

After “for the purposes of”, insert “Subdivision 307-D and”.

9 Section 995-1.01 (paragraph (b) of the definition of *defined benefit fund*)

After “for the purposes of”, insert “Subdivision 307-D and”.

10 Section 995-1.01

Insert:

family law value has the meaning given by subsection 307-230A.04(2).

maximum commutation amount has the meaning given by subsection 307-230A.09(2).

superannuation actuary has the same meaning as in the SIS Act.

vested benefits total has the meaning given by subsection 307-230A.08(3).

Division 2—Application of amendments

Income Tax Assessment (1997 Act) Regulations 2021

11 Before section 1000-8.05

Insert:

1000-8.01 Application of amendments—total superannuation balance value and the value of superannuation interests

- (1) The amendments of section 307-205.02C made by this Part apply in relation to working out what the value of a superannuation interest is at a particular time if that time occurs on or after 1 July 2026.
- (2) Sections 307-230A.01, 307-230A.02, 307-230A.03 and 307-230A.09 apply in relation to working out what the total superannuation balance value of a superannuation interest is at a particular time if that time occurs on or after 1 July 2026.

1000-8.02 Transitional provision—difference in total superannuation balance value resulting from a change in valuation methods

- (1) This section applies to a superannuation interest if:
 - (a) it is a superannuation interest of yours:
 - (i) just before 1 July 2026; and
 - (ii) at all times occurring between 1 July 2026 and 30 June 2027; or

Schedule 2 Total superannuation balance value and the value of superannuation interests

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- (b) it supports a death benefit income stream that, because of the death of another person, you are receiving:
- (i) just before 1 July 2026; and
 - (ii) at all times occurring between 1 July 2026 and 30 June 2027.
- (2) If the total superannuation balance value of the superannuation interest just before 1 July 2026 exceeds the new method value, the excess is included in the total worked out for you under subsection 296-70.03(1) in relation to the interest.
- (3) If the new method value exceeds the total superannuation balance value of the superannuation interest just before 1 July 2026, the excess is included in the total worked out for you under subsection 296-70.02(1) in relation to the interest.
- (4) If column 1 of an item of the following table applies, the *new method value* is the amount set out in column 2 of that item:

New method value		
Item	Column 1 If ...	Column 2 the <i>new method value</i> is ...
1	the total superannuation balance value of the superannuation interest just before 1 July 2027 is the family law value	equal to what would be the family law value of the interest just before 1 July 2026 if each reference in paragraphs 307-230A.04(1)(a), (b) and (c) to determining a value on that day were a reference to determining the value just before 1 July 2027.
2	the method for determining the total superannuation balance value of the superannuation interest just before 1 July 2027 is an alternative valuation method	the value of the interest just before 1 July 2026 determined using that method (even if no certificate is in force in relation to the interest at that time under section 307-230A.06).
3	the total superannuation balance value of the superannuation interest just before 1 July 2027 is the vested benefits total of the interest	the vested benefits total of the interest just before 1 July 2026.
4	the total superannuation balance value of the superannuation interest just before 1 July 2027 is the maximum commutation amount of the interest	the maximum commutation amount of the interest just before 1 July 2026.

1000-8.03 Transitional provision—total superannuation balance value for certain superannuation interests just before 1 July 2026

- (1) Subsection (2) applies in relation to:
- (a) a superannuation interest that is an interest of yours just before 1 July 2026 (the *transition time*) if, at that time:
 - (i) the interest is in the retirement phase and the interest does not support a superannuation income stream mentioned in subsection 307-230A.02(5); or
 - (ii) the interest is an interest that you are treated as having under subsection 307-230(3) of the Act because you are a non-member

- spouse in relation to another superannuation interest, and paragraph (a) of this subsection applies to the other superannuation interest;
- (b) a superannuation interest (also a **relevant interest**) that supports a superannuation income stream of which you are, because of the death of another person, a retirement phase recipient at the transition time, if, at that time:
- (i) the interest is in the retirement phase and the interest does not support a superannuation income stream mentioned in subsection 307-230A.02(5); or
 - (ii) the interest is an interest that you are treated as having under subsection 307-230(3) of the Act because you are a non-member spouse in relation to another superannuation interest, and paragraph (a) of this subsection applies to the other superannuation interest.
- (2) For the purposes of paragraph 307-230A(1)(a) of the Act, the greater of the following values is specified:
- (a) the value worked out using the following formula;
 - (b) nil.

The transfer balance in your transfer balance account at that time
The number of relevant interests of yours
to which this subsection applies at the transition time

- (3) Subsection (4) applies if a transfer balance credit has arisen, at or before that time, in your transfer balance account in respect of a superannuation income stream mentioned in subsection 307-230A.02(5).
- (4) For purposes of working out the transfer balance mentioned in subsection (2) of this section, disregard the operation of the following provisions in relation to the superannuation income stream mentioned in subsection (3):
- (a) items 1 and 2 of the table in subsection 294-25(1) of the Act;
 - (b) items 1, 3, 4, 5 and 6 of the table in subsection 294-80(1) of the Act.
- (5) For the purposes of this section, disregard sections 307-230A.10 and 307-230A.11.

1000-8.04 Transitional provision—vested benefits total

For the purposes of working out whether section 307-230A.08, as inserted by Part 2 of Schedule 2 to the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026*, applies to a superannuation interest at a particular time (the **application time**) that does not occur just before 1 July 2028 and does not occur on or after 1 July 2028:

- (a) disregard the reference in subparagraph 307-230A.08(1)(b)(i) to that section having applied 12 months before the application time; and
- (b) treat the reference in that subparagraph to the vested benefits total of the interest as being a reference to the value of the interest.

Schedule 3—Family law splits

Part 1—Main amendments

Income Tax Assessment (1997 Act) Regulations 2021

1 Before section 307-230A.01

Insert:

307-230.01 Total superannuation balance—family law payment splitting

- (1) For the purposes of paragraph 307-230(3)(b) of the Act, the circumstance mentioned in subsection (2) of this section is prescribed.
- (2) The circumstance is that:
 - (a) the superannuation interest mentioned in paragraph 307-230(3)(a) of the Act is a defined benefit interest; and
 - (b) either:
 - (i) the interest is not in the retirement phase; or
 - (ii) the interest is in the retirement phase and supports a superannuation income stream that is a SIS pension, RSA pension, SIS annuity or RSA annuity; and
 - (c) the governing rules of the superannuation plan in which the interest exists do not allow the non-member spouse in relation to the interest to become a member of the plan; and
 - (d) at least part of the amount to which the non-member spouse is entitled under the payment split to which the interest is subject, as mentioned in subparagraph 307-230(3)(a)(ii) of the Act, has not been rolled-over, transferred or allotted to another superannuation interest for the benefit of the non-member spouse.
- (3) For the purposes of subsection 307-230(4) of the Act, a superannuation interest that you are treated as having under subsection 307-230(3) of the Act in the circumstance prescribed by subsection (1) of this section is to be treated as being a defined benefit interest.

2 At the end of Subdivision 307-D

Add:

307-230A.10 Total superannuation balance value—family law payment splitting (non-member spouse)

- (1) This section applies at a particular time (the *application time*) if:
 - (a) a superannuation interest (the *member spouse's interest*) is subject to a payment split; and
 - (b) the circumstance prescribed by subsection 307-230.01(1) exists in relation to the member spouse's interest; and
 - (c) under subsection 307-230(3) of the Act, the non-member spouse in relation to the member spouse's interest is treated as having a superannuation

interest (the *non-member spouse's interest*) because the member spouse's interest is subject to the payment split; and

(d) the unsplit total superannuation balance value is greater than nil.

- (2) The *unsplit total superannuation balance value* is the total superannuation balance value of the member spouse's interest at the application time (disregarding the payment split).

Base amount payment splits

- (3) For the purposes of paragraph 307-230A(1)(a) of the Act, and subject to subsection (9) of this section, if:

- (a) the payment split is a base amount payment split; and
(b) an adjusted base amount applies to the non-member spouse at the application time; and
(c) subsection (5) does not apply;

the adjusted base amount in relation to the non-member spouse on the day on which the application time occurs is specified in relation to the non-member spouse's interest.

- (4) For the purposes of paragraph 307-230A(1)(a) of the Act, and subject to subsection (9) of this section, if:

- (a) the payment split is a base amount payment split; and
(b) an adjusted base amount does not apply to the non-member spouse at the application time; and
(c) subsection (5) does not apply;

the base amount allocated to the non-member spouse, within the meaning of section 72 of the *Family Law (Superannuation) Regulations 2025*, is specified in relation to the non-member spouse's interest.

- (5) For the purposes of paragraph 307-230A(1)(a) of the Act, and subject to subsection (9) of this section, if:

- (a) the payment split is a base amount payment split; and
(b) the member spouse's interest is in the retirement phase; and
(c) paragraph 85(1)(a) of the *Family Law (Superannuation) Regulations 2025* applies in relation to the member spouse's interest;

the value worked out using the following formula is specified in relation to the non-member spouse's interest:

$$\frac{\text{The unsplit superannuation balance value} \times \text{The adjusted base amount in relation to the non-member spouse on the day on which the member spouse's interest entered the retirement phase}}{\text{Transition factor}}$$

The amount that, apart from this section, would have been the total superannuation balance value of the member spouse's interest at the time at which the member spouse's interest entered the retirement phase

where:

transition factor has the same meaning as in subsection 85(2) of the *Family Law (Superannuation) Regulations 2025*.

Percentage payment splits

- (6) For the purposes of paragraph 307-230A(1)(a) of the Act, and subject to subsection (9) of this section, if:
- (a) the payment split is a percentage payment split; and
 - (b) neither Division 2 of Part 4, nor Division 3 of Part 5, of the *Family Law (Superannuation) Regulations 2025* applies to the payment split;
- the value worked out using the following formula is specified in relation to the non-member spouse's interest:

$$\frac{\text{The unsplit total superannuation balance value}}{\text{The percentage specified in the relevant superannuation agreement or splitting order}} \times$$

- (7) For the purposes of paragraph 307-230A(1)(a) of the Act, and subject to subsection (9) of this section, if:
- (a) the payment split is a percentage payment split; and
 - (b) neither Division 2 of Part 4, nor Division 3 of Part 5, of the *Family Law (Superannuation) Regulations 2025* applies to the payment split; and
 - (c) section 41 or 48 of the *Family Law (Superannuation) Regulations 2025* applies to the member spouse's interest;
- the value worked out using the following formula is specified in relation to the non-member spouse's interest:

$$\frac{\text{The unsplit total superannuation balance value} \times \frac{\text{Accrued benefit multiple at separation}}{\text{Later accrued benefit multiple}}}{\text{The percentage specified in the relevant superannuation agreement or splitting order}} \times$$

where:

accrued benefit multiple at separation has the same meaning as in section 41 or 48 of the *Family Law (Superannuation) Regulations 2025* (whichever is relevant).

later accrued benefit multiple means:

- (a) if the non-member spouse's interest is in the retirement phase at the application time—the accrued benefit multiple at payment (within the meaning of section 41 or 48 of the *Family Law (Superannuation) Regulations 2025*, whichever is relevant); or
 - (b) otherwise—the member spouse's accrued benefit multiple, as defined in the governing rules of the superannuation plan in which the member spouse's interest exists, at the application time.
- (8) For the purposes of paragraph 307-230A(1)(a) of the Act, and subject to subsection (9) of this section, if:
- (a) the payment split is a percentage payment split; and
 - (b) Division 2 of Part 4, or Division 3 of Part 5, of the *Family Law (Superannuation) Regulations 2025* applies to the payment split; and
 - (c) section 42 or 49 of the *Family Law (Superannuation) Regulations 2025* applies to the member spouse's interest;

the value worked out using the following formula is specified in relation to the non-member spouse's interest:

The unsplit total superannuation balance value \times The percentage specified in the relevant superannuation agreement or splitting order

Effective waiver notices

- (9) For the purposes of paragraph 307-230A(1)(a) of the Act, if the non-member spouse has served an effective waiver notice for the purposes of section 90XZA or 90YZQ of the *Family Law Act 1975* in relation to the member spouse's interest, the total superannuation balance value of the non-member spouse's interest is nil.

Multiple payment splits

- (10) Subsection (11) applies if, at the application time, there is more than one payment split to which paragraphs 307-230A.11(1)(a), (b) and (c) apply in relation to the member spouse's interest.
- (11) In applying subsection (2) of this section and section 307-230A.11 to work out the total superannuation balance value of the non-member spouse's interest mentioned in paragraph (1)(c) of this section in relation to one of those payment splits, disregard:
- (a) that payment split; and
 - (b) any of those payment splits that has a later operative time (within the meaning of Part VIIIB or VIIC (as the case may be) of the *Family Law Act 1975*).

307-230A.11 Total superannuation balance value—family law payment splitting (member spouse)

- (1) This section applies at a particular time if:
- (a) a superannuation interest (the *member spouse's interest*) is subject to a payment split; and
 - (b) the circumstance prescribed by subsection 307-230.01(1) exists in relation to the member spouse's interest and the payment split; and
 - (c) under subsection 307-230(3) of the Act (as it applies in relation to the payment split), the non-member spouse in relation to the member spouse's interest is treated as having a superannuation interest (the *non-member spouse's interest*) because the member spouse's interest is subject to the payment split; and
 - (d) the unsplit total superannuation balance value is greater than nil.
- (2) The *unsplit total superannuation balance value* is the value that would be the total superannuation balance value of the member spouse's interest at that time (disregarding the payment split).
- (3) For the purposes of paragraph 307-230A(1)(a) of the Act, the value worked out using the following formula is specified in relation to the member spouse's interest:

$$\frac{\text{The unsplit total superannuation balance value}}{\text{The total superannuation balance value of the non-member spouse's interest at that time}}$$

- (4) However, if the result of the formula in subsection (3) is less than nil, the total superannuation balance value of the member spouse's interest is nil.

Effective waiver notices

- (5) For the purposes of the formula in subsection (3) of this section, disregard subsection 307-230A.10(9).

Multiple payment splits

- (6) If, at the time mentioned in subsection (1), there is more than one payment split to which paragraphs (1)(a), (b) and (c) apply in relation to the member spouse's interest:
- (a) for the purposes of subsection (2), disregard all of those payment splits; and
 - (b) treat the reference in the formula in subsection (3) to the total superannuation balance value of the non-member spouse's interest as being a reference to the sum of the total superannuation balance values of the superannuation interests that all of the non-member spouses in relation to the member's interest are treated as having because of those payment splits.

Interaction with other provisions of this Subdivision

- (7) Sections 307-230A.01 and 307-230A.02 have effect subject to this section.

3 Section 995-1.01

Insert:

adjusted base amount has the same meaning as in the SIS Regulations.

base amount payment split has the same meaning as in the SIS Regulations.

percentage payment split has the same meaning as in the SIS Regulations.

RSA annuity means an annuity (within the meaning of the RSA Act).

RSA pension means a pension (within the meaning of the RSA Act).

SIS annuity means an annuity (within the meaning of the SIS Act).

SIS pension means a pension (within the meaning of the SIS Act).

splitting order has the same meaning as in the SIS Regulations.

superannuation agreement has the same meaning as in the SIS Regulations.

Part 2—Consequential amendments

Income Tax Assessment (1997 Act) Regulations 2021

4 Subsection 294-25.02(1) (table item 1, column headed “A superannuation income stream is covered if:”)

Omit “pension for the purposes of the SIS Act”, substitute “SIS pension”.

5 Subsection 294-25.02(1) (table item 2, column headed “A superannuation income stream is covered if:”)

Omit “an annuity for the purposes of the SIS Act”, substitute “a SIS annuity”.

6 Subsection 294-25.02(1) (table item 3, column headed “A superannuation income stream is covered if:”)

Omit “pension for the purposes of the SIS Act”, substitute “SIS pension”.

7 Subsection 294-25.02(1) (table item 4, column headed “A superannuation income stream is covered if:”)

Omit “an annuity for the purposes of the SIS Act”, substitute “a SIS annuity”.

8 Subsection 294-25.02(1) (table item 5, column headed “A superannuation income stream is covered if:”)

Omit “a pension for the purposes of the RSA Act”, substitute “an RSA pension”.

9 Subsection 294-130.01(2)

Omit “pension for the purposes of the SIS Act”, substitute “SIS pension”.

10 Paragraph 294-130.01(3)(b)

Omit “pension for the purposes of the SIS Act”, substitute “SIS pension”.

11 Subsection 294-130.01(6)

Omit “pension for the purposes of the SIS Act”, substitute “SIS pension”.

12 Subparagraph 307-70.02(1)(b)(i)

Omit “an annuity or pension within the meaning of the SIS Act”, substitute “a SIS annuity or SIS pension”.

13 Subparagraph 995-1.05(a)(iii)

Omit “an annuity within the meaning of subsection 10(1) of the SIS Act”, substitute “a SIS annuity”.

Schedule 4—Other amendments

Part 1—Valuation parameters

Division 1—Main amendments

Income Tax Assessment (1997 Act) Regulations 2021

1 Subclause 3.2(1) of Schedule 1A

Omit “8%”, substitute “6%”.

2 Subclause 3.3(1) of Schedule 1A

Omit “8%”, substitute “6%”.

3 Subclause 3.4(1) of Schedule 1A

Omit “4.5%”, substitute “3.5%”.

4 Subclause 3.7(1) of Schedule 1A

Repeal the subclause, substitute:

- (1) Subject to subsection (1A), the following table sets out the rates of voluntary exit from the fund that are to be assumed.

Voluntary exit rates		
	Column 1	Column 2
Item	Age in years	Exit rate
1	16	0.041
2	17	0.044
3	18	0.046
4	19	0.047
5	20	0.048
6	21	0.048
7	22	0.048
8	23	0.048
9	24	0.047
10	25	0.046
11	26	0.045
12	27	0.044
13	28	0.043
14	29	0.041
15	30	0.040
16	31	0.039
17	32	0.038
18	33	0.037
19	34	0.036

Voluntary exit rates		
	Column 1	Column 2
Item	Age in years	Exit rate
20	35	0.035
21	36	0.034
22	37	0.033
23	38	0.032
24	39	0.031
25	40	0.030
26	41	0.029
27	42	0.028
28	43	0.027
29	44	0.026
30	45	0.025
31	46	0.025
32	47	0.025
33	48	0.025
34	49	0.025
35	50	0.025
36	51	0.025
37	52	0.025
38	53	0.025
39	54	0.025
40	55	0.100
41	56	0.075
42	57	0.075
43	58	0.075
44	59	0.075
45	60	0.150
46	61	0.150
47	62	0.150
48	63	0.150
49	64	0.150
50	65	1.000

(1A) The following table sets out the rates of voluntary exit from the fund that are to be assumed if, under the rules of the fund, the normal retirement age of the fund is 62 years and 0 days or less.

Voluntary exit rates		
	Column 1	Column 2
Item	Years until normal retirement age	Exit rate
1	44	0.041

Schedule 4 Other amendments
Part 1 Valuation parameters

Voluntary exit rates		
Item	Column 1 Years until normal retirement age	Column 2 Exit rate
2	43	0.044
3	42	0.046
4	41	0.047
5	40	0.048
6	39	0.048
7	38	0.048
8	37	0.048
9	36	0.047
10	35	0.046
11	34	0.045
12	33	0.044
13	32	0.043
14	31	0.041
15	30	0.040
16	29	0.039
17	28	0.038
18	27	0.037
19	26	0.036
20	25	0.035
21	24	0.034
22	23	0.033
23	22	0.032
24	21	0.031
25	20	0.030
26	19	0.029
27	18	0.028
28	17	0.027
29	16	0.026
30	15	0.025
31	14	0.025
32	13	0.025
33	12	0.025
34	11	0.025
35	10	0.025
36	9	0.025
37	8	0.025
38	7	0.025
39	6	0.025
40	5	0.150
41	4	0.150

Voluntary exit rates		
	Column 1	Column 2
Item	Years until normal retirement age	Exit rate
42	3	0.150
43	2	0.150
44	1	0.150
45	0	1.000

5 Subclause 3.8(2) of Schedule 1A

Omit “10%”, substitute “2.5%”.

6 Clause 3.9 of Schedule 1A

Repeal the clause, substitute:

3.9 Mortality of pensioners

The following table sets out the rates of pensioner mortality (q_x) that are to be assumed.

Pensioner mortality (q_x) rates		
Item	Age	q_x
1	31	0.00042
2	32	0.00044
3	33	0.00046
4	34	0.00049
5	35	0.00052
6	36	0.00056
7	37	0.00060
8	38	0.00064
9	39	0.00069
10	40	0.00074
11	41	0.00080
12	42	0.00086
13	43	0.00092
14	44	0.00100
15	45	0.00108
16	46	0.00116
17	47	0.00126
18	48	0.00136
19	49	0.00144
20	50	0.00154
21	51	0.00159
22	52	0.00164
23	53	0.00172

Schedule 4 Other amendments
Part 1 Valuation parameters

Pensioner mortality (q_x) rates		
Item	Age	q_x
24	54	0.00180
25	55	0.00188
26	56	0.00195
27	57	0.00202
28	58	0.00208
29	59	0.00217
30	60	0.00229
31	61	0.00241
32	62	0.00257
33	63	0.00274
34	64	0.00305
35	65	0.00363
36	66	0.00425
37	67	0.00491
38	68	0.00561
39	69	0.00633
40	70	0.00706
41	71	0.00801
42	72	0.00909
43	73	0.01040
44	74	0.01194
45	75	0.01374
46	76	0.01586
47	77	0.01837
48	78	0.02158
49	79	0.02540
50	80	0.02999
51	81	0.03594
52	82	0.04203
53	83	0.04912
54	84	0.05696
55	85	0.06606
56	86	0.07601
57	87	0.08693
58	88	0.09992
59	89	0.11362
60	90	0.13041
61	91	0.14792
62	92	0.16773
63	93	0.18808
64	94	0.20295

Pensioner mortality (q_x) rates		
Item	Age	q_x
65	95	0.21812
66	96	0.23360
67	97	0.24937
68	98	0.26539
69	99	0.28163
70	100	0.29802
71	101	0.31547
72	102	0.33194
73	103	0.34839
74	104	0.36480
75	105	0.38109
76	106	0.39765
77	107	0.41280
78	108	0.42760
79	109	0.44200

7 Subclause 11(1) of Schedule 1AA

Omit “8%”, substitute “6%”.

8 Subclause 12(1) of Schedule 1AA

Omit “8%”, substitute “6%”.

9 Subclause 13(1) of Schedule 1AA

Omit “4.5%”, substitute “3.5%”.

10 Subclause 16(1) of Schedule 1AA

Repeal the subclause, substitute:

- (1) Subject to subsection (1A), the following table sets out the rates of voluntary exit from the fund that are to be assumed.

Voluntary exit rates		
Item	Column 1	Column 2
	Age in years	Exit rate
1	16	0.041
2	17	0.044
3	18	0.046
4	19	0.047
5	20	0.048
6	21	0.048
7	22	0.048
8	23	0.048

Schedule 4 Other amendments
Part 1 Valuation parameters

Voluntary exit rates		
Item	Column 1 Age in years	Column 2 Exit rate
9	24	0.047
10	25	0.046
11	26	0.045
12	27	0.044
13	28	0.043
14	29	0.041
15	30	0.040
16	31	0.039
17	32	0.038
18	33	0.037
19	34	0.036
20	35	0.035
21	36	0.034
22	37	0.033
23	38	0.032
24	39	0.031
25	40	0.030
26	41	0.029
27	42	0.028
28	43	0.027
29	44	0.026
30	45	0.025
31	46	0.025
32	47	0.025
33	48	0.025
34	49	0.025
35	50	0.025
36	51	0.025
37	52	0.025
38	53	0.025
39	54	0.025
40	55	0.100
41	56	0.075
42	57	0.075
43	58	0.075
44	59	0.075
45	60	0.150
46	61	0.150
47	62	0.150
48	63	0.150

Voluntary exit rates		
	Column 1	Column 2
Item	Age in years	Exit rate
49	64	0.150
50	65	1.000

(1A) The following table sets out the rates of voluntary exit from the fund that are to be assumed if, under the rules of the fund, the normal retirement age of the fund is 62 years and 0 days or less.

Voluntary exit rates		
	Column 1	Column 2
Item	Years until normal retirement age	Exit rate
1	44	0.041
2	43	0.044
3	42	0.046
4	41	0.047
5	40	0.048
6	39	0.048
7	38	0.048
8	37	0.048
9	36	0.047
10	35	0.046
11	34	0.045
12	33	0.044
13	32	0.043
14	31	0.041
15	30	0.040
16	29	0.039
17	28	0.038
18	27	0.037
19	26	0.036
20	25	0.035
21	24	0.034
22	23	0.033
23	22	0.032
24	21	0.031
25	20	0.030
26	19	0.029
27	18	0.028
28	17	0.027
29	16	0.026
30	15	0.025

Schedule 4 Other amendments
Part 1 Valuation parameters

Voluntary exit rates		
	Column 1	Column 2
Item	Years until normal retirement age	Exit rate
31	14	0.025
32	13	0.025
33	12	0.025
34	11	0.025
35	10	0.025
36	9	0.025
37	8	0.025
38	7	0.025
39	6	0.025
40	5	0.150
41	4	0.150
42	3	0.150
43	2	0.150
44	1	0.150
45	0	1.000

11 Subclause 16(2) of Schedule 1AA

After “subclause (1)”, insert “or (1A)”.

12 Subclause 17(2) of Schedule 1AA

Omit “10%”, substitute “2.5%”.

13 Clause 18 of Schedule 1AA

Repeal the clause, substitute:

18 Mortality of pensioners

The following table sets out the rates of pensioner mortality (qx) that are to be assumed.

Pensioner mortality (qx) rates		
Item	Age	qx
1	31	0.00042
2	32	0.00044
3	33	0.00046
4	34	0.00049
5	35	0.00052
6	36	0.00056
7	37	0.00060
8	38	0.00064
9	39	0.00069

Pensioner mortality (q_x) rates		
Item	Age	q_x
10	40	0.00074
11	41	0.00080
12	42	0.00086
13	43	0.00092
14	44	0.00100
15	45	0.00108
16	46	0.00116
17	47	0.00126
18	48	0.00136
19	49	0.00144
20	50	0.00154
21	51	0.00159
22	52	0.00164
23	53	0.00172
24	54	0.00180
25	55	0.00188
26	56	0.00195
27	57	0.00202
28	58	0.00208
29	59	0.00217
30	60	0.00229
31	61	0.00241
32	62	0.00257
33	63	0.00274
34	64	0.00305
35	65	0.00363
36	66	0.00425
37	67	0.00491
38	68	0.00561
39	69	0.00633
40	70	0.00706
41	71	0.00801
42	72	0.00909
43	73	0.01040
44	74	0.01194
45	75	0.01374
46	76	0.01586
47	77	0.01837
48	78	0.02158
49	79	0.02540
50	80	0.02999

Schedule 4 Other amendments
Part 1 Valuation parameters

Pensioner mortality (qx) rates		
Item	Age	qx
51	81	0.03594
52	82	0.04203
53	83	0.04912
54	84	0.05696
55	85	0.06606
56	86	0.07601
57	87	0.08693
58	88	0.09992
59	89	0.11362
60	90	0.13041
61	91	0.14792
62	92	0.16773
63	93	0.18808
64	94	0.20295
65	95	0.21812
66	96	0.23360
67	97	0.24937
68	98	0.26539
69	99	0.28163
70	100	0.29802
71	101	0.31547
72	102	0.33194
73	103	0.34839
74	104	0.36480
75	105	0.38109
76	106	0.39765
77	107	0.41280
78	108	0.42760
79	109	0.44200

Division 2—Other amendments

Income Tax Assessment (1997 Act) Regulations 2021

14 Paragraph 291-170.05(3)(b)

Repeal the paragraph, substitute:

- (b) on or after 1 July 2021 and before the commencement of Schedule 4 to the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026*—using Schedule 1A to this instrument; and
- (ba) on or after that commencement—using Schedule 1A to this instrument, as in force just before that commencement;

15 Before subparagraph 291-170.05(3)(d)(i)

Insert:

- (ia) a change to a Commonwealth law;
- (ib) the approval, under section 62 of the *Family Law (Superannuation) Regulations 2025*, of a method or factors to be used to determine the gross value of a superannuation interest of the member, or the amendment or repeal of such an approval;

16 Paragraph 291-170.07(2)(b)

Repeal the paragraph, substitute:

- (b) on or after 1 July 2021 and before the commencement of Schedule 4 to the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026*—using Schedule 1A to this instrument; and
- (ba) on or after that commencement—using Schedule 1A to this instrument, as in force just before that commencement;

17 Before subparagraph 291-170.07(2)(d)(i)

Insert:

- (ia) a change to a Commonwealth law;
- (ib) the approval, under section 62 of the *Family Law (Superannuation) Regulations 2025*, of a method or factors to be used to determine the gross value of a superannuation interest of the member, or the amendment or repeal of such an approval;

18 Part 5 of Schedule 1A (heading)

Omit “**Member has changed benefit category**”, substitute “**Change of benefit category or exercise of discretion**”.

19 Part 5 of Schedule 1AA (heading)

Omit “**Member has changed benefit category**”, substitute “**Change of benefit category or exercise of discretion**”.

Part 2—State higher level office holders

Income Tax Assessment (1997 Act) Regulations 2021

20 Section 293-145.01

Repeal the section, substitute:

293-145.01 Constitutionally protected State higher level office holders

For the purposes of paragraph 293-145(1)(b) of the Act, an individual who is a State higher level office holder is declared.

21 Section 995-1.01

Insert:

State higher level office holder means any of the following:

- (a) the Governor of a State;
- (b) a member of the staff of the Governor of a State;
- (c) a Minister of the government of a State;
- (d) a member of the staff of a Minister of the government of a State;
- (e) a member of the Parliament of a State;
- (f) the Clerk of a house of the Parliament of a State;
- (g) a deputy Clerk of a house of the Parliament of a State or an office holder of the Parliament of a State of equivalent seniority;
- (h) the head of a Department of the Parliament of a State or an office holder of the Parliament of a State of equivalent seniority;
- (i) the head of a Department of the Public Service of a State or a statutory office holder of equivalent seniority, including a statutory office holder who is the head of an instrumentality or agency of a State;
- (j) the head of a body, including an office or a commission, within a Department of the Public Service of a State if the body:
 - (i) has the general administration of an Act of the State under a statute; or
 - (ii) has a distinct statutory function that is critical to the constitutional functioning of the State;
- (k) an office holder within a Department of the Public Service of a State if the office holder:
 - (i) has the general administration of an Act of the State under a statute; or
 - (ii) has a distinct statutory function that is critical to the constitutional functioning of the State;
- (l) a head or deputy head of a body, including an office or a commission, of a State if the body has a predominant legal function that is critical to the constitutional functioning of the State;
- (m) the Solicitor-General of a State;
- (n) a judge, justice or magistrate of the court of a State;
- (o) a member of a tribunal of a State, or a commissioner of a commission of a State, who exercises judicial power of a State;

- (p) a commissioner, deputy commissioner or assistant commissioner of a police force of a State, or an officer of equivalent rank of a police force of a State.

Part 3—Application provisions

Income Tax Assessment (1997 Act) Regulations 2021

22 In the appropriate position in Chapter 7

Insert:

Part 1000-8—Transitional matters relating to the Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026

1000-8.05 Application of amendments—valuation parameters

- (1) The amendments of Schedule 1A to this instrument made by Division 1 of Part 1 of Schedule 4 to the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026* apply for the purposes of working out your notional taxed contributions for a financial year starting on or after 1 July 2026.
- (2) The amendments of Schedule 1AA to this instrument made by Division 1 of Part 1 of Schedule 4 to the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026* apply for the purposes of working out your defined benefit contributions for a financial year starting on or after 1 July 2026.

1000-8.06 Application of amendments—notional taxed contributions

Subparagraphs 291-170.05(3)(d)(ia) and 291-170.07(2)(d)(ia), as inserted by Division 2 of Part 1 of Schedule 4 to the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026*, apply to a change to a Commonwealth law that occurs on or after the commencement of this section.

1000-8.07 Application of amendments—State higher level office holders

The amendments made by Part 2 of Schedule 4 to the *Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026* apply in relation to an income year starting on or after 1 July 2026.