Media Release

Retirees Relieved as Government Moves to Amend Legislation on Taxing Superannuation Balances Over $3 Million

“Retirees commend the Government for taking on board the key criticisms of taxing unrealised gains and lack of indexation of the $3 million threshold on the proposed Division 296 legislation,” said Wayne Strandquist, Chief Advocate for the Australian Independent Retirees (AIR).

“Australian Independent Retirees objected to the calculation of earnings based on unrealised capital gains, that is, the year-on-year difference in capital value of a fund member’s total superannuation balance. We will now see earnings that are calculated on actual earnings received such as interest, dividends, actual net realised capital gains, investment distributions, and dividend franking credits,” Mr Strandquist explained.

“Superannuation members will now be able meet their tax obligations to the ATO from income they have actually received rather than sell long term assets quickly to pay tax on earnings they have not yet received,” said Wayne Strandquist.

“While many retirees believe that it is reasonable to have a cap on a member’s total superannuation balance attracting concessional tax treatment, they also believe this cap should be indexed like other superannuation caps. The proposed thresholds of $3 million and $10 million will both be indexed, thus insuring the real purchase value of superannuation in retirement will not be devalued over time,” said Mr Strandquist.

Australian Independent Retirees are also pleased that common sense has prevailed with the implementation date delayed to July 2026. We hope that any further consultation on the amended legislation is concluded successfully and we can move forward in a period of stability for our superannuation arrangements.

For further information or Media Comments, please contact:

Chief Advocate Australian Independent Retirees
Wayne Strandquist - 0412 434 467 Email wmstrand@bigpond.net.au
or
Media Coordinator - Australian Independent Retirees
Terrence O’Callaghan AM - 0408 143 392 Email: ocallaghanterry@gmail.com

AIR website: www.independentretirees.com.au

16/10/2025