

Federal Budget Fast Facts. Financial services.



The 2016/17 Federal Budget has a number of changes affecting the Financial Services industry.

The key takeouts are:

- The big surprise in super is that people in pension phase with a balance of above \$1.6 million, are set to lose the enjoyment of a tax free environment. Superannuation funds will need to ready their systems for this change
- Supporting the Asian Region Funds Passport initiative, two types of collective investment vehicles were introduced. The corporate and limited partnership vehicles will come into effect from 1 July 2017 and 1 July 2018 respectively. This change will allow Australia to export its funds management expertise to the region and grow the industry
- As financial institutions turn their minds to their own budgets, they will need to fund an increase in surveillance and enforcement activity through levies from APRA.

What does this mean for you:

Superannuation funds will need to review their systems. Fund managers need to seek advice on how to set up new structures to attract overseas capital. Australian banks and financial institutions need to review their budgets in mind of the increased APRA levies.

**ShineWing Australia
Budget Rating:**

Doesn't
add up.

Too
taxing.

Nice work
Scott.

