



MACBITES

NEW REGULATIONS FOR SMSF'S INVESTING IN COLLECTABLES & PERSONAL USE ASSETS

These regulations apply to all new collectables and personal use assets (please refer to the examples below) acquired by SMSF's from 1 July 2011, and all existing holdings must comply with these regulations or be disposed of by 1 July 2016.

There are restrictions on where the collectables and personal use assets can be stored and who can access them. The restrictions specify that the investments can not:

- be leased to, or part of a lease arrangement with, a related party
- be used by a related party
- be stored in a private residence of a related party.

A written record (to be kept for at least 10 years) must be made about the reason for the decision on where the item is to be stored.

The investment must be insured in the name of the SMSF within seven days of acquiring the investment.

If the investment is sold to a related party, it must be sold at the market price, determined by a qualified independent valuer.

For more information refer to the Superannuation Industry (Supervision) Amendment Regulations 2011 (No. 2).

Collectables and Personal Use Assets would include:

- artwork
- jewellery
- antiques
- artefacts
- coins, medallions or bank notes
- postage stamps or first day covers
- rare folios, manuscripts or books
- memorabilia
- wine or spirits
- motor vehicles
- recreational boats
- memberships of sporting or social clubs

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