

SELF SUPER INSURANCE

What is it? Not a fund, but a method of insuring your self-managed super.

Insuring it against what? Costs of Australian Taxation Office audits, investigations and prosecutions, civil penalties, trustee disputes, loss of documents, excess contributions tax assessment notices, beneficiary disputes ...

Hang on, why do I have to worry about all that? Hopefully you never will, but the focus on compliance of trustees and self-managed superannuation funds has never been greater.

Additionally, with reforms washing through the whole industry, SMSFs included, that regulatory burden is likely to get worse. There were over 11,000 ATO audits of funds in 2010-11 and 15,000 notices related to excess contributions. In a sense, you could argue this product meets a commonplace need: self-managed super investors know exactly how to run their investments, but have no clue about their compliance and legal responsibilities.

What's not covered? Well, certainly not any losses your fund makes. There's also the usual period of restrictions (such as an audit that commenced before you started cover), and any professional fees around the standard annual SMSF audit required by law.

Who is Self Super Insurance?

That's the trading name of Consult Insurance Solutions, which is a new general cover broker. Ultimately, your protection comes from QBE.

What does it cost? Options start at \$175 and are tax deductible, but increase according to the scope of the coverage you want.

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