

**STATE AUTHORITIES SUPERANNUATION ACT 1987—
REGULATION**

(Relating to the reduction of benefits to offset the liability of the State Authorities Superannuation Board to pay Commonwealth income tax in respect of certain employers' contributions)

NEW SOUTH WALES



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HIS Excellency the Governor, with the advice of the Executive Council, and in pursuance of the State Authorities Superannuation Act 1987, has been pleased to make the Regulation set forth hereunder.

J. J. FAHEY
Minister for Industrial Relations,
Minister for Further Education,
Training and Employment.

The State Authorities Superannuation Regulation 1988 is amended by omitting clause 14 (2) and by inserting instead the following subclause:

(2) For the purpose of subclause (1), the formula is:

$$R = \frac{B}{C} \times 0.15 \times P$$

where:

R represents the amount of the reduction;

B represents the period in days of continuous contributory service that began on the taxable date;

C represents the period in days of continuous contributory service for the transferred contributor concerned;

P represents:

- (a) the pension that, but for this clause, would be payable under clause 40, 41, 42 or 43 of the State Authorities Superannuation (Transitional Provisions) Regulation 1988 to that transferred contributor; or
- (b) if that transferred contributor has died—the pension that, but for this clause, would be payable under clause 44 of that Regulation to the spouse of that contributor.

EXPLANATORY NOTE

Clause 14 (2) of the State Authorities Superannuation Regulation 1988 contains a formula for calculating the amount by which the State Authorities Superannuation Board is required to reduce certain benefits payable to transferred contributors or their spouses under the State Authorities Superannuation Act 1987 to offset that Board's liability to pay income tax in respect of employers' contributions to the Fund established under that Act. The object of this Regulation is to replace that formula with a modified formula that will provide those transferred contributors or their spouses with a more equitable outcome.
