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| Standard Business Reporting  Australian Taxation Office –  Member Account Transaction Service (MATS) (SPRMBRACCTX.0001) web service  Business Implementation Guide  Date: 05 06 2017  C | |
| FINAL | |
| This document and its attachments are **Unclassified** |  |
|  | For further information or questions, contact the SBR Service Desk at [SBRServiceDesk@sbr.gov.au](mailto:SBRServiceDesk@sbr.gov.au) or call 1300 488 231. International callers may use +61-2-6216 5577 |

VERSION CONTROL

|  |  |  |
| --- | --- | --- |
| **Version** | **Release date** | **Description of changes** |
| 0.1 |  | Initial draft |
| 0.2 |  | Updated due to external feedback, locked down (build) version |
| 1.0 | 31 May 2018 | Updates following internal and external review |

ENDORSEMENT

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1. Introduction
   1. Purpose

The purpose of this document is to provide information that will assist software developers in understanding the business context surrounding the member account transaction service (MATS) interactions. These interactions are performed with the Australian Taxation Office (ATO) through the Standard Business Reporting (SBR) platform.

* 1. Audience

The audience for this document is any organisation that will be implementing the MATS interactions into their products. Typically this will be large funds and their administrators, and software industry partners. In addition entities not prescribed under Superannuation Industry (Supervision) Regulations 1994 such as life insurance companies can use the service to notify member account transactions.

* 1. Document context

The ATO MATS Business Implementation Guide forms part of the broader suite of documents used by the ATO to describe or interpret how the technical implementation relates back to the business context and process. This document is designed to be read in conjunction with the ATO SBR documentation suite including the:

* Web service/platform information eg SBR Web Service Implementation Guide, Service Register and Common MIG
* Message information eg Message Structure Table, Schema and Validation Rules, and
* Test information eg Conformance suites
  1. Glossary

This table only contains terms that need specific explanation for this document. Other terminology can be found in the [SBR glossary](http://www.sbr.gov.au/software-developers/developer-tools/glossary).

| **Term** | **Definition** |
| --- | --- |
| Administrator | An entity appointed in Access Manager by a superannuation entity via their AUSkey for the purpose of using MATS on their behalf. |
| Approved deposit fund (ADF) | A fund that is an indefinitely continuing fund and is maintained by a registrable super entity licensee that is a constitutional corporation that is maintained solely for approved purposes. |
| Approved form | The form in which information must be provided to the ATO to satisfy an entity’s reporting obligations to the ATO. |
| Accumulation Phase Value (APV) | This is the value of the accumulation interest that would become payable if the individual voluntarily caused the interest to cease at 30 June of the relevant financial year. |
| Australian business number (ABN) | A unique public 11 digit number issued to all entities registered in the Australian Business Register (ABR) that identifies a business or organisation to the government or community. |
| Australian Prudential Regulation Authority (APRA) | The prudential regulator of banks, insurance companies and super funds, credit unions, building societies and friendly societies |
| Australian Taxation Office (ATO) | The ATO is the principal revenue collection agency of the Australian Government. The role of the ATO is to effectively manage and shape the tax and superannuation systems that support and fund services for Australians. |
| ATO Online Super Accounts | The super account webpage allows a user on the myGov/ATO Online portal to view a list of their active super account/s (including lost accounts) and the associated account balances. This includes both ATO held super accounts and super fund accounts known to the ATO. |
| ATO Online Transfer Super | The Transfer Super webpage allows a user on the myGov/ATO Online portal to transfer ATO held super accounts as well as rollover super fund accounts to one super fund account. The rollover/consolidation of super fund accounts will result in SuperStream Electronic Portability Form messages being sent. |
| AUSkey | A secure online login obtainable from [abr.gov.au](http://www.abr.gov.au) that allows businesses to access and send business information to government agencies, online. AUSkey is a requirement for lodgments via Standard Business Reporting (SBR). |
| Child death benefit income stream (ICB) | A dependant child that receives a death benefit income stream because of the death of a parent. This event type should also be reported for a reversionary child death benefit income stream that commenced prior to 1 July 2016. |
| Conditional | A data element (section or field) identified as ‘conditional’ must be reported if it exists or is held by the fund.  For example, the member TFN field is conditional – if the fund holds the TFN it must be reported. |
| Constitutionally protected fund (CPF) | A fund established under State legislation that is declared by the Income Tax Regulations 1936 to be a CPF. |
| Contribution transaction request (CTR) | The CTR is the message used to communicate the contribution details from the contributor (typically an employer, or the ATO) to the superannuation fund, an administrator or a clearing house in accordance with the Superannuation Data and Payment Standard 2012 (the Standard). |
| Eligible rollover fund (ERF) | A regulated super fund or ADF which is eligible to receive benefits automatically rolled over from other super funds. The trustee of the fund must have given APRA a notice in the approved form stating that it is an ERF. |
| Fund Validation Service (FVS) | The FVS is a suite of services that are designed to assist fast and reliable processing of electronic rollovers and contributions in accordance with the Standard.  These services collect information from superannuation funds regarding their superannuation products and make this information available to other funds and employers. |
| Income stream stopped (STO) | Income stream stopped being in the retirement phase. |
| Individual | For the purposes of this document, an individual refers to:   * member of a superannuation fund * depositor with an approved deposit fund (ADF) * holders of certain life insurance policies * holder of a Retirement Savings Account (RSA). |
| Intermediary | This is the organisation (as authorised by the provider) that gives the statement on behalf of the providers being reported for. An intermediary may be a superannuation administrator, tax agent, accountant, employee of the superannuation provider, or any other properly authorised legal entity. It may also be the provider itself lodging on its own behalf (for example, a super fund or its corporate trustee or a life insurance company). The intermediary is the organisation who lodges the MATS with the ATO. |
| Legislative instrument | The legal document that specifies the requirements, including the transitional arrangement allowed, when lodging a MATS statement (the approved form). |
| Life insurance company | For the purposes of this document, and the MATS, a life insurance company refers to a life insurance company required to report under section 390-20 of Schedule 1 to the *Taxation Administration Act 1953* (TAA) that is not a superannuation provider. |
| Limited recourse borrowing (LRB) | LRB arrangement is the transfer balance cap credit arising from repayment of an LRB arrangement. |
| Low income superannuation tax offset (LISTO) | Support for low income earners and to ensure that generally they do not pay more tax on their super contributions than on their take–home pay. |
| Member Account Transaction Service (MATS) form | The MATS form is the approved form for the giving of a statement to the Commissioner under section 390-5 and section 390-20 of Schedule 1 to the TAA. |
| Member | For the purposes of this document, a member is a:   * member of a superannuation fund * member of a life insurance company * depositor in an approved deposit fund (ADF), or * holder of a retirement savings account (RSA). |
| Member account number | The account number allocated by a provider (fund) to identify a member's account in the fund. |
| Member account attribute service (MAAS) | This is a service that allows funds to update the attributes of their member accounts in real time (within five business days). |
| Member contributions statement (MCS) | The MCS is an annual statement lodged with the ATO to report:   * contributions received for each fund member during the financial year, * the balance and other attributes of the account they held in the fund.   The MCS is only required to report contributions and account balances up to 30 June 2018. (Contributions received from 1 July 2018, and account balances for 30 June 2019 onwards will be reported via the MATS.) |
| Member requested commutation (MCO) | The process of ceasing, in whole or in part, a superannuation income stream and converting it into a superannuation lump sum, in all circumstances with exception to a Commissioner’s commutation authority. The superannuation lump sum that arises from a commutation may be cashed out of the superannuation system or can be retained within the superannuation system subject to the cashing rules for superannuation death benefits. |
| Notice of intent (NOI) | A notice given to the fund trustee or RSA for the intention to claim a personal superannuation contribution deduction (PSCD). |
| Personal superannuation contribution deduction (PSCD) | Personal superannuation contributions claimed as an income tax deduction on an individual’s tax return if they meet certain eligibility criteria. |
| Retirement Phase Value (RPV) | This is the value of the retirement interest that would become payable if the individual voluntarily caused the interest to cease at 30 June of the relevant financial year. |
| Retirement savings account (RSA) | An RSA is a type of account offered by institutions such as banks and building societies for retirement savings. |
| Reversionary child death benefit income stream (ICR) | A superannuation income stream that automatically reverts to a dependant child because of the death of a parent, where the income stream commenced on or after 1 July 2016. |
| Reversionary income stream (IRS) | A superannuation income stream that automatically reverts to a nominated beneficiary on the death of its current recipient, where the income stream commenced on or after 1 July 2016. |
| Single touch payroll (STP) | A reporting obligation for employers.  It means employers will report payments such as salaries and wages, pay as you go (PAYG) withholding and super information to the ATO directly from their payroll solution at the same time they pay their employees. |
| Superannuation guarantee (SG) | The amount of superannuation an employer must contribute on behalf of their eligible employees. The rate is currently equal to 9.5% of an employee's ordinary time earnings and will be gradually increased to 12% from 1 July 2025. |
| Superannuation guarantee charge (SGC) | A charge imposed under the *Superannuation Guarantee Charge Act 1992* on employers who do not make the minimum superannuation guarantee contributions required on behalf of their eligible employees. |
| Superannuation income stream (SIS) | A superannuation income stream in the retirement phase. Generally a right to receive periodic payments from a superannuation interest, for example a pension or annuity. This event type should also be reported for a reversionary income stream that commenced prior to 1 July 2016. |
| Superannuation product identification number (SPIN) | A number used to identify superannuation fund products within the financial services industry and government. |
| Superannuation provider | A ‘superannuation provider’ in relation to a ‘superannuation plan’ refers to:   * for a superannuation fund – the trustee of the fund * for an ADF – the trustee of the fund * for an RSA – the RSA provider.   For the purposes of this document, and the MATS, a ‘superannuation provider’ does not include the trustee of a self-managed superannuation fund.  A superannuation provider includes a life insurance company that is an RSA provider. |
| SuperTICK Version 3 | SuperTICK V3 is a web service that enables superannuation funds to meet a mandated requirement to validate member details. |
| Supplier | An organisation (authorised as an agent by the superannuation provider) that manages the affairs of one or more superannuation providers. For APRA regulated funds the supplier is typically the superannuation fund’s administrator. |
| Tax file number (TFN) | A unique 8 or 9 digit number issued by the ATO to individuals and organisations to help the ATO administer tax and other Australian Government systems. |
| Transfer balance account report (TBAR). | The TBAR is the report by which funds advise the ATO of events impacting their members’ transfer balance account (and in some instances, their total superannuation balance or concessional contributions).  For non-SMSFs, the TBAR is an interim report which will progressively be superseded by:   * MAAS (reporting account attributes) * MATS (reporting transactions and events) * release authority harmonisation (commutation authorities). |
| Transferor provider | The superannuation provider who rolls over or transfers all or part of a member's account, to another provider (the destination provider). |
| Unique super identifier (USI) | An identifier used by the super industry principally to ensure electronic messages and payments are directed appropriately. It can identify a super fund or one or more products within that super fund. Superannuation funds may select, with the ATO’s approval, one of two formats for the USI - the superannuation fund’s ABN plus three digits or a superannuation product identification number (SPIN). |
| Withholding payer number (WPN) | A WPN is allocated to clients who have withholding obligations under Pay As You Go (PAYG) withholding but who do not have an ABN. |

1. What is the Member account transaction (MATS) service?

The Member Account Transaction Service (MATS) is a service that supports the redesign of the member contributions statement (MCS) reporting lodgment, from an annual statement to a contemporary offering allowing the reporting of member transactions/contributions more frequently and at an event or transactional level.

**Note** Reporting of member accounts and their attributes will be achieved through the Member Account Attribute Service (MAAS).

Having this information reported more frequently and at a granular level allows the ATO to accurately determine entitlements (eg government contributions), assessments (eg Division 293) and to determine the member’s position against the legislative superannuation caps.

**Note:** The MATS service in conjunction with MAAS replaces the current MCS.

The Transfer balance account report (TBAR), will be available until all superannuation providers have transitioned to MATS, however will remain for the retirement phase event reporting of self-managed super funds (SMSFs), and other entities that will not report retirement phase events through the MATS.

The service is available for use by superannuation providers (the definition of superannuation providers includes the trustee of a super fund and the provider of a retirement savings account). Superannuation fund is defined very broadly and includes all public sector super schemes (federal, state and local government); regardless of whether they are exempt from regulation and regardless of whether they are constitutionally protected funds (CPFs). Use of the MATS service does not extend to SMSFs.

In addition, funds will no longer be required to report the details of Government contributions (co-contributions and LISTO) back to the ATO; the ATO will derive this information from internal systems. (For clarity, the requirement to report other ATO sourced amounts – super guarantee charge amounts and the taxable component of a payment from the Superannuation Holding Account (SHA) special account – as employer contributions remains.)

The service is to enable superannuation funds to report:

* 1. transactional based contribution reporting
  2. annual contribution and balance reporting
  3. adjustment reporting
  4. cancellation of previously reported transactions and events.

The *SPRMBRACCTX* service is comprised of two interactions

* *SPRMBRACCTX.0001.2018.Submit* to notify ATO of a member account transaction, and
* *SPRMBRACCTX.0001.2018.Cancel* to notify ATO to cancel a transaction previously reported through the Submit interaction.
  1. Interactions

The [ATO SBR Service Registry](http://www.sbr.gov.au/__data/assets/file/0020/44390/ATO-Service-Registry.xlsx) contains the technical service and message configuration data for ATO offerings. The following table can be used to locate the relevant information in the ATO SBR Service Registry.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Interaction** | **Short Description** | **Single** | **Batch** | **Mandatory** |
| SPRMBRACCTX.0001.2018.Submit | This service allows superannuation funds to report member account transactions to the ATO. | N | Y | Y |
| SPRMBRACCTX.0001.2018.Cancel | This service allows superannuation funds to cancel a transaction previously lodged through the SPRMBRACCTX.0001.2018.Submit service. | N | Y | Y |

Table : Interactions available in MATS process

* 1. Channels

The MATS interactions are available in the following channels:

|  |  |  |  |
| --- | --- | --- | --- |
| **Channel** | **How request is lodged** | **When to use the channel** | **Timeframe for service response** |
| BBRP | SBR ebMS3.0 enabled software | 1 – 10,000 member requests (up to July 2018)  1 – 100,000 member requests (from July 2018) | Performance testing yet to be completed for SBR2 to gold and timeframes will be published when known. |

Table : Channel availability of MATS service interactions

**Intermediate and delayed response criteria**

The ATO's ‘Intermediate’ and ‘Delayed’ response time service levels are as follows.

* A batch or bulk transaction with less than or equal to 1,000 logical or child records is classified as having an ‘Intermediate’ response time service level.
* A batch or bulk transaction with more than 1,000 logical or child records in the same transaction is classified as having a ‘Delayed’ response time service level.

**Technical receipt**

For MATS requests, SBR will first send back a generic (ebMS) technical receipt after it successfully authenticates the incoming request. This receipt will confirm that the SLA obligations have been discharged for that message.

Following the technical receipt an intermediate request message will then result in one single validation and business response.

A delayed request message will result in two separate responses – a validation response followed by a business response – regardless of how often you poll. These must be picked up in order. In both instances you will need to pull these responses from SBR.

Note – for the MATS Submit, as there is no business response, the intermediate pattern is always applicable where there is only one response.

1. Authorisation
   1. Intermediary Relationship

The SBR services that an intermediary can use on behalf of their clients depend on the activity being undertaken and whether the intermediary has a relationship with the client. That is, an intermediary has the appropriate authorisation for the interaction being performed on behalf of the taxpayer recorded in ATO systems.

A business intermediary must be appointed by a business in Access Manager to use the available services on their behalf.

* 1. Access Manager

AUSkey and Access Manager are used to manage access and permissions for SBR online services. ATO systems will check that the initiating party is allowed to use the interaction that is received through the SBR channel.

For more information on Access Manager, see the [ATO website](https://www.ato.gov.au/general/online-services/access-manager/). For further information on AUSkey, see the Australian Business Register’s [website](https://abr.gov.au/AUSkey/).

The table below displays the interactions available to each initiating party via SBR for MATS:

| **Interaction** | **Activity** | **APRA Fund** | **Entity outside of SIS Regs 1994** |
| --- | --- | --- | --- |
| SPRMBRACCTX.0001.2018.Submit | This service allows superannuation funds to report member account transactions to the ATO | ✓ | ✓ |
| SPRMBRACCTX.0001.2018.Cancel | This service allows superannuation funds to cancel a transaction previously lodged through the SPRMBRACCTX.0001.2018.Submit service. | ✓ | ✓ |

Table : MATS Permissions

A user must be assigned the appropriate authorisation permissions to use the MATS. The below table references the SBR service to the relevant permission in Access Manager:

| **Interaction** | **Access Manager Permission** |
| --- | --- |
| Submit | Super - Member account services (Lodge and update) |
| Cancel | Super - Member account services (Lodge and update) |

Table : Access Manager Permissions

For fraud protection reasons, the ATO may impose limits on how many members are reported by a user at any point in time or during a single day. This may occur where usage patterns for a provider are excessive or outside their normal pattern.

# Using the MATS Service

* 1. System availability

**SBR system status**

The current availability status of SBR systems for both production and test environments can be confirmed by accessing the [SBR system status page](http://www.sbr.gov.au/software-developers/developer-tools/current-sbr-system-status).

**ATO superannuation dashboard**

The ATO Superannuation Dashboard (Dashboard) is a near real-time indicator of whether the super services are functioning normally or experiencing problems. The Dashboard also provides services updates, announcements, upcoming planned system maintenance information and useful references. Refer to the [Dashboard website](http://sses.status.ato.gov.au/) and [user guide](http://sses.status.ato.gov.au/Superannuation%20Dashboard%20User%20Guide.pdf) for more information.

* 1. Terms and Conditions

The MATS services can only be used in accordance with the terms and conditions of use that apply at the time of the transaction.

By using MATS, users acknowledge they are accepting the following terms and conditions of use. These terms and conditions and your use of the MATS, are governed by the laws in force in the Australian Capital Territory, Australia.

**Computer system, software and data compatibility and risks**

Users are responsible to take appropriate and adequate precautions to ensure that the information provided and obtained from this service is free of viruses or other contamination that may interfere with or damage your computer system, software or data. This includes the responsibility to ensure that unauthorised persons do not have access to that data, and that other security measures are in place.

The ATO accepts no liability for any interference with or damage to a user’s computer system, software or data occurring in connection with or relating to this service.

Refer to the [Digital Service Provider (DSP) Operational Framework](https://softwaredevelopers.ato.gov.au/sites/default/files/resource-attachments/Operational_Framework_Final_Implementation_Approach_v1.0.pdf) for details regarding the protection of digital taxation or superannuation related information.

**Non availability, interruptions and faults using the service**

Whilst the ATO will make reasonable efforts to ensure that the service is available, the ATO makes no guarantees to either provide continuously available access to the service or provide access which is uninterrupted or fault free.

The ATO publishes information about systems maintenance times at [ato.gov.au/systemmaintenance](https://www.ato.gov.au/General/Online-services/System-Maintenance).

**No warranties by the ATO**

While the ATO has taken all reasonable care to ensure information provided to you is accurate, subsequent changes in circumstances may occur at any time and may impact on the accuracy of the information. The ATO does not give any warranty, make any representation as to, or accept responsibility for the accuracy, correctness, reliability, timeliness or completeness now or in the future of any information provided.

We may alter these terms and conditions at any time. If we do so, notification of the change will be issued prior to its implementation.

**Indemnity and limited liability**

Users will be responsible for (and users agree to indemnify the ATO against) any loss or damage to any person arising from any one of the following:

* any breach by users of these terms and conditions
* any wilful, negligent or unlawful act or omission by users in relation to, or in the course of using the MATS services.

Users agree that the ATO will not be liable for any direct, indirect, incidental, special, consequential or exemplary damages (including for loss of profits, goodwill, information, data or other intangible losses) resulting from:

* the use or inability to use the MATS services
* unauthorised access or alterations of your transmissions to or from MATS
* activities resulting from the loss or misuse of your AUSkey and password
* statements or conduct of any third party, and
* any other matter relating to the MATS services.

**Breach of the terms and conditions**

MATS must only be used by superannuation providers and life insurance companies, and their intermediaries (including Administrators), for the purposes for which it is designed.

Where an administrator holding an AUSkey accesses or uses MATS services for purposes other than in accordance with these terms and conditions, the ATO (in addition to any other rights) may:

* terminate the ability of that AUSkey to access MATS
* report the matter to the entity or entities for whom that AUSkey is held or purportedly used, and to the authority who issued that AUSkey, and
* refer the matter to other regulatory authorities.

**Compliance reviews**

Users of the service understand that the Commissioner will conduct regular reviews of their compliance with these terms and conditions. If compliance review indicates that the user has not complied with the terms and conditions or misused the service in any way, the Commissioner can:

* terminate a user’s access to the service
* impose penalties and/or take prosecution action, and
* refer the matter to their regulator.

As part of our fraud prevention measures, the ATO may impose limits on the use of the MATS by a user at any point in time or during a single day.

1. Member account transaction service guidance
   1. Submit service overview

The *SPRMBRACCTX.Submit* interaction allows superannuation funds and their administrators, as well as other entities holding a superannuation interest (such as life insurance companies), to notify the ATO of member account transactions.

Reportable transactions include:

* employer contributions (and the associated employer details)
* non-employer contributions such as personal, third party, and CGT election contributions
* balance amounts
* defined benefit contributions
* retirement phase events
* acknowledging a valid notice of intent to claim a personal super contribution deduction.

ATO systems will reference the input field ‘message timestamp’ to ensure requests are processed sequentially as they are received. This timestamp is to be in the UTC standard (ie no time zone).

Other than returning the channel validation outcome (as described in the [ATO Common BIG](http://www.sbr.gov.au/__data/assets/file/0019/43264/ATO-Common-Business-Implementation-Guide.docx) and [ATO Common MIG](http://www.sbr.gov.au/__data/assets/file/0013/43060/ATO-Common-Message-Implementation-Guide.docx)), no further response is provided.

Practically however, for the MATS service, sequencing will only apply to those transactions that use an overwrite or ‘replace’ correction method (refer section 5.7.3 below). Sequencing for all other transactions is not of importance given the ATO utilises an aggregated annual figure for determinations/eligibility processing. In addition, a success response is provided for cancellation requests.

For Retirement Phase Events, transfer balance cap determination processes run daily and will utilise all events received since last runtime; where a 'historic' event is received this is factored into the determination process.

* 1. Cancel Service overview

The *SPRMBRACCTX.Cancel* interaction allows the notification to cancel a transaction previously reported through the Submit interaction.

ATO systems will identify the transaction to cancel based on information reported through the request. The outcome of whether the transaction was identified and subsequently cancelled will be returned in the response.

* 1. Mandatory use of the service

A new legislative instrument will be introduced requiring superannuation providers to report all member account transactions effective from 1 July 2018 using the MATS.

The purpose of this instrument is to shift the obligation for the reporting of contribution information (for non SMSFs) from the annual, aggregated MCS and separate event based TBAR to a more granular, combined real time (within 10 business days) transaction based solution.

Please note the reporting of some non-transactional based details, such as account balances and defined benefit contributions, will still only be required on an annual basis (see 5.5.5.1 below).

**Note: entities without a USI**

Entities holding a superannuation interest (such as life insurance companies) and not prescribed under the Superannuation Industry (Supervision) Regulations 1994 (SISR), are to utilise a default USI value (ABN+999 format). This USI is **not** to be registered in the Fund Validation Service (FVS).

Prescribed entities (under the SISR) may also use a default USI for any products not registered on the FVS. However please note **any** entity using one USI (default or otherwise) for multiple products, will need to ensure the member account identifiers in each of those products are unique.

Funds should use the same USI (default or otherwise) they used when opening/updating an account via the MAAS. Funds without a USI who are unable to use the above default format should contact the ATO via the [SuperStream Data Standards](mailto:superstreamstandards@ato.gov.au) mailbox.

* 1. Process Diagram



* 1. Message structure

The MATS message structure is essentially in four sections:

1. reporting party
2. intermediary details
3. member information
4. transaction information.

The following tables outline the various fields and sub-sections of the message, whether a particular section/field is mandatory, and provide a brief description.

A section heading denoted as mandatory/optional outlines whether that section itself must be completed (mandatory) or not (optional). The mandatory/optional nature of a particular field within a section applies only if that section itself is completed. For example, the intermediary section is optional and is not required to be completed, however if this section is completed, the intermediary ABN and business name are mandatory within this section and must be supplied.

Please note, where we refer to an item as ‘optional’, this is from an SBR messaging perspective in that a message can still be valid without the optional components. From a superannuation reporting point of view, these optional items must be reported where a fund holds that information (that is, they should be treated as ‘conditional’), such as:

* TFN – if a member (or employer) has provided a member TFN to the fund, the fund is required to report that to the ATO, if no TFN has been provided this field should be left blank
* employee payroll provider identifier – if this field has been provided to the fund as part of the employer contribution transaction request (CTR), the payroll identifier should be included in the corresponding MATS, otherwise left blank.
  + 1. Reporting party

Used to report the details of the reporting superannuation entity. This section must be completed on every MATS form.

|  |  |  |
| --- | --- | --- |
| ***Reporting party*** | ***Mandatory*** |  |
| Super fund ABN | Mandatory | ABN of the super provider |
| Business name | Mandatory | Full name of the super provider |

* + 1. Intermediary

Used to report the details of the intermediary, where applicable. This section is optional.

|  |  |  |
| --- | --- | --- |
| ***Intermediary*** | ***Optional*** |  |
| Intermediary ABN | Mandatory | ABN of the intermediary |
| Business name | Mandatory | Full name of the intermediary |

* + 1. Member account information

Identifies which account, and to which member the report relates. This section is mandatory, however the ‘member details’ sub-section is optional.

|  |  |  |
| --- | --- | --- |
| ***Member information*** | ***Mandatory*** |  |
| Super fund USI | Mandatory | USI of the super provider. It is expected this will match the USI reported at the corresponding label on the member account attribute service (MAAS).  Where a MATS is reported and the USI does not match an existing account on ATO records (reported via the MAAS), we may not interact with that account correctly. |
| Member account identifier | Mandatory | Identifier for the member account. Must match the member account identifier as reported on the MAAS. |
| *Member details* | *Optional* | Sub-section of member information |
| TFN | Optional |  |
| Family Name | Mandatory |  |
| Given Name | Optional |  |
| Other Given Name | Optional |  |
| Date of Birth Year\* | Mandatory |  |
| Date of Birth Month | Optional |  |
| Date of Birth Day | Optional |  |
| Address Line 1 | Optional |  |
| Address Line 2 | Optional |  |
| Locality | Optional |  |
| Postcode | Optional |  |
| State or Territory | Optional |  |
| Country | Optional |  |

\* Where the date of birth year is not known, please provide the default value of 1900.

* + 1. Transaction information

Used to report details about the transaction.

|  |  |  |
| --- | --- | --- |
| ***Transaction information*** | ***Mandatory*** |  |
| Message timestamp | Mandatory | Used internally by the ATO for processing transactions in the correct order.  The generation and time (ISO 8601) of a Business Signal in the UTC standard (ie no time zone). |
| Fund Transaction ID | Optional | Can be included by a fund if they have a transaction ID.  If provided, can be used in a subsequent CANCEL transaction. |

* + 1. Transaction details

Used to report the details of the actual transaction – the contribution or event. The transactions are broken up into five categories or types:

1. Member contributions balance amounts
2. Employer contributions
3. Non-employer transactions
4. Retirement phase event
5. Notice of intent.

When sending a MATS Submit message:

1. Only one of the transaction types (outlined above) can be reported for a valid MATS message.
2. Where multiple contribution types are received at once (for example a payment from an employer that contains employer SG, salary sacrifice and personal contributions), these must each be reported as separate MATS messages
3. For the member contributions balance amounts transaction type, one single MATS message contains:
   * annual balance (required), and
   * either accumulation or retirement phase value (if applicable)
   * notional taxed contributions (if applicable), and
   * defined benefit contributions (if applicable).

For example, an individual makes a personal contribution of $10,000 accompanied by a valid notice of intent to claim a deduction. The fund would need to report these to the ATO as two separate MATS messages.

* + - 1. Member contributions balance amounts

Used to report the member’s account balance, and defined benefit contributions. The obligation to report these amounts remains an annual one, on a 30 June basis, by 31 October each year.

While the account balance may be reported more frequently, it is only the obligatory (30 June) balance that will be used by the ATO for calculations and assessments.

Within this transaction type, there is a conditional sub-section – ‘phase’ – only to be used when reporting the retirement/accumulation phase values, and/or notional taxed/defined benefit contributions.

Where an account has been closed during the year, there is no obligation to report a $0 balance.

For further clarification on how the following amounts are calculated, please refer to section 5.6.1.1 below.

|  |  |  |
| --- | --- | --- |
| ***Member contributions balance amounts*** | ***Optional*** |  |
| Balance date | Mandatory | Date for which the balance is being reported.  Generally this will be 30 June (required); however funds may choose to provide more frequent account balances. |
| Account balance | Mandatory | Account balance as per previous MCS requirements.  A balance of $0 is explicitly allowed. Continue current MCS practice of reporting negative balances to ATO as zero. |
| *Phase* | *Optional* | Sub-section of member contributions balance amounts |
| Phase Value amount | Optional | This is the value of the interest that would become payable if the individual voluntarily caused the interest to cease at 30 June of the relevant financial year. |
| Phase Code | Optional | Valid codes are ‘APV’ (accumulation phase value) or ‘RPV’ (retirement phase value).  APV/RPV provided to enable funds to supply a 30 June value of a super benefit that differs from the ‘account balance’.  The field is used on an exceptions basis and ensures the correct (30 June) value is utilised for calculation of an individual’s total super balance.  Note that RPV will apply to defined benefit pensions, other than for capped defined benefit income streams. |
| Notional taxed contributions amount | Optional | Funds are to report the uncapped amount for all accounts.  Accounts eligible for grandfathering should have this reported via the MAAS. ATO systems will then use the capped amounts where appropriate. |
| Defined benefit contribution amount | Optional | The amount of a member’s defined benefit contributions. |

* + - 1. Employer contributions

Used to report all employer contributions.

|  |  |  |
| --- | --- | --- |
| ***Employer Contributions*** | ***Optional*** |  |
| Receipt Date | Mandatory | For contribution transactions it is the date payment is received by fund’s bank account. |
| Period Start Date | Optional | Period associated with the transaction (eg pay period for an employer SG contribution).  Where data is provided to the fund in multiple transactions (eg fortnightly), but a single payment is made (eg quarterly), provide the start date of the quarter. |
| Period End Date | Optional | Period associated with the transaction (eg pay period for an employer SG contribution).  Where data is provided to the fund in multiple transactions (eg fortnightly), but a single payment is made (eg quarterly), provide the end date of the quarter. |
| Employer amount | Mandatory | Amount - Allow negatives.  The value of the contribution. |
| Employer Contribution Type | Mandatory | Codified values (described in detail in section 5.6.1.2 below):   * Employer SG * Award * Salary sacrifice * Employer voluntary |
| *Employer Information* | *Optional* | Expectation that for each employer contribution, the employer information is also included when provided by the employer.  Fund is to provide the data if they have it available from any source (eg known user via channel B Portal) not only from data in the CTR.  If no employer details are available do not provide the employer sub group. ATO will assume the absence of employer data means the fund does not have employer data to send. |
| Employer identifier | Optional | The ABN or WPN of the employer. |
| Employer Name | Mandatory | Name of the employer as provided on the CTR. |
| Employee Payroll Number Identifier | Optional | The identifier allocated by the employer to the employee. |
| Employment End Date | Optional | This field should only be reported where it is provided on the incoming CTR.  Will help in tracking churn of employees and businesses and assist in identification of phoenix business operators. |
| Employment End Date Reason | Optional | This field should only be reported where it is provided on the incoming CTR.  To assist in identification of the specific position of an individual eg their status at this date is ‘gone into retirement phase’ and thus investigation can be undertaken re the tax implications of this transition. |

* + - 1. Non-employer transactions

Used to report all contributions the fund receives, other than ‘employer contributions’.

|  |  |  |
| --- | --- | --- |
| ***Non-employer transactions*** | ***Optional*** | ***Note – includes an individual’s ‘personal contributions’ that are made via an employer*** |
| Receipt Date | Mandatory | For contribution transactions it is the date payment is received by fund’s bank account.  To be in line with TR 2010/1 the receipt date (‘effective’ date) should be the date the fund received the payment into the fund bank account – that is the date the amount is counted for caps etc. |
| Non-Employer Contribution amount | Mandatory | The amount of the transaction, negatives allowed. |
| Super contribution type | Mandatory | Further details on the various contribution types provided in section 5.6.1.3 below.  Codified values:   * Personal * Spouse * Child * Other third party * Capital gains - small business retirement exemption amount * Capital gains - small business 15 year exemption * Personal injury/Structured Settlement * Proceeds from primary residence disposal * Other concessional contributions amount * Other non-concessional contributions amount * Excess foreign fund amount * Non-assessable foreign fund amount * Applicable fund earnings (elected) * Transfers from reserves - assessable * Transfers from reserves - non-assessable |

* + - 1. Retirement phase event

Used to report changes to accounts in the retirement phase.

For the avoidance of doubt, retirement phase events reported via the MATS are required to be reported no later than 10 business days after the particular event.

|  |  |  |
| --- | --- | --- |
| ***Retirement phase event*** | ***Optional*** |  |
| Effective date | Mandatory | The following dates are to be provided according to the respective retirement phase event:   * SIS/ICB – the later of the starting date of the income stream, or 30 June 2017 * IRS/ICR – for reversionary income streams paid on/after 1 July 2016, use date of death of the original member. If paid prior to 1 July 2016, use ‘SIS’ or ‘ICB’ with an effective date of 30 June 2017 * MCO/STO – date the income stream was commuted or stopped being in the retirement phase * LRB – the date of the repayment |
| Event type | Mandatory | Further details on the various event types provided in section 5.6.1.4 below.  Codified values:   * SIS * LRB * IRS * ICB * ICR * MCO * STO |
| Event value | Mandatory | Negative values are **not** allowed. |
| *Third party data* | *Optional* | Sub-section header  Third party is mandatory if a fund commences an income stream for the first time to a child death benefit beneficiary (events ICB or ICR). Otherwise should not be completed.  In all instances, the third party is the deceased parent of the child death benefit beneficiary. |
| Third party TFN | Optional |  |
| Third Party Family Name | Mandatory |  |
| Third Party Given Name | Optional |  |
| Third Party Other Given Name | Optional |  |
| Third Party Date of Birth Year | Optional |  |
| Third Party Date of Birth Month | Optional |  |
| Third Party Date of Birth Day | Optional |  |

The reporting of retirement phase events aligns with the transfer balance cap legislation (as per Division 294 of the ITAA 1997). A summary of the values to be reported for is presented in the below table:

|  |  |
| --- | --- |
| **Account type** | **Value to be reported** |
| For account-based income streams that existed before 1 July 2017 | The value of the super interest that supports the super income stream just before 1 July 2017. |
| For account-based income streams that started on or after 1 July 2017 | The commencement value of the new super income stream on the commencement date. This includes the date an income stream that was previously not in retirement phase commenced in retirement phase. |
| For capped defined benefit income streams that existed before 1 July 2017 | The [special value](https://www.ato.gov.au/Definitions/?anchor=P1102-90792#P1102-90792) of the super interest that supports the income stream just before 1 July 2017. |
| For capped defined benefit income streams that started on or after 1 July 2017 | The [special value](https://www.ato.gov.au/Definitions/?anchor=P1102-90792#P1102-90792) of the super interest that supports the income stream on the commencement date. |
| For limited recourse borrowing repayments | The increase in value of a superannuation interest that supports a superannuation income stream as a result of a limited recourse borrowing arrangement repayment. |
| For full and partial commutations of an account-based super income stream | The amount of the super lump sum.  When reporting the value of a member commutation the entire amount of the super lump sum should be reported. For example, for a member requesting a commutation of $10,000 where a benefit payment fee applies and the member will only receive $9,960, the $10,000 should be reported as this is how much has been transferred from the tax free retirement phase. |
| For full commutations of a capped defined benefit income stream | The [debit value](https://www.ato.gov.au/Definitions/?anchor=P1102-90792#P293-22552), just before the super lump sum is paid, of the super interest that supports the capped defined benefit income stream. |
| For partial commutations of a capped defined benefit income stream | The [debit value](https://www.ato.gov.au/Definitions/?anchor=P1102-90792#P293-22552), multiplied by the following formula:  1 − ([SV just after commutation](https://www.ato.gov.au/Definitions/?anchor=P1102-90792#P1102-90792) ÷ [SV just before commutation](https://www.ato.gov.au/Definitions/?anchor=P1102-90792#P1102-90792)). |
| For a structured settlement contribution | The amount of the contribution made to a complying super fund when notifying the provider that it is to be excluded from the non-concessional contributions cap. |
| For a super income stream that stops being in the retirement phase | The value of the super interest at the relevant time. |

Note the reporting of compliance with commutation authorities will not be moved to the MATS, this will remain in the TBAR pending the streamlining of release authorities.

* + - 1. Notice of intent

Used by the fund to report amounts acknowledged in valid notices of intent to claim a personal super deduction.

|  |  |  |
| --- | --- | --- |
| ***Notice of intent*** | ***Optional*** |  |
| NOI date | Optional | Used if the fund stores a date in relation to the notice of intent, for example the date the notice was supplied, or the acknowledgement issued.  This field is truly optional – funds need only report it if an appropriate date is captured by their system. |
| NOI amount | Mandatory | The amount the fund has acknowledged in the member’s valid notice of intent, negatives allowed. |
| NOI tax year | Mandatory | The financial year (four digits) to which the notice of intent relates. For example, for the year ending 30 June 2018, report ‘2018’.  Should be either the current financial year, or the previous financial year. |

It is expected that acknowledged notices of intent will be reported (via the MATS) within 10 business days of being processed (acknowledged). Where a member lodges a subsequent notice for a separate amount, this should be reported as a new notice of intent transaction.

For example, a member makes a personal contribution in January of $10,000 accompanied by a valid notice of intent for $8,000. The same member then contributes a further $15,000 in May, accompanied by valid notice of intent for $12,000. The member’s MATS reporting in this instance would be:

* personal contribution of $10,000 in January
* notice of intent for $8,000 in January
* personal contribution of $15,000 in May
* notice of intent for $12,000 in May

For clarification where the amount of a previously acknowledged notice of intent is varied downwards, refer to section 5.7 below.

Notethere are no changes to the validity requirements of the notice provided to the fund, nor the timing thereof. Notices must still meet the requirements of section 290-170 of the *Income Tax Assessment Act 1997* (ITAA 1997), and in particular must be provided to the fund on the earlier of:

* the date on which the individual lodges their income tax return for the year in which they made the personal contribution, or
* 30 June of the year following the year in which they made the contribution.
  1. Reporting Account Transactions
     1. Descriptions of Contribution types
        1. Member contributions balance amounts

**Account balance**

Funds can report an account balance that aligns to the definition of Accumulation Phase Value (APV). Where this is true, the account balance should be reported when the annual MATS reporting is prepared. Any adjustments made after the annual MATS reporting that would modify the APV as at 30 June should be reflected in an updated account balance, or reported as a separate amount at the APV field.

Where the account balance is not utilised to provide the accumulation phase value provide the closing balance of the member's account on 30 June of the reporting period, as it is known when the annual MATS reporting is prepared.

**For account-based accumulation interests** the balance of the account on 30 June should be determined according to ordinary accounting principles. The effect of adjustments to the balance made after the annual MATS reporting is prepared for lodgment need not be reported (in an adjusted MATS, for example) unless they arise from errors rather than from routine adjustments in the value of investments.

For example, a provider extracts data in order to prepare an annual MATS report on 8 October and then on 17 October the provider’s investment manager announces an adjustment to the value of all member accounts as a result of a distribution. This adjustment is not reflected in the balance provided in the annual MATS report and no adjustments are required.

Accurate balance reporting is important as it will impact:

* product processing
* account consolidation decisions
* the information the ATO displays to members
* decisions concerning an appropriate destination for ATO payments, and
* total super balance if an accumulation phase value is not provided.

**For defined benefit and other non-account based interests** the amount reported at this field should be equivalent to any amount reported in periodic statements issued to the member (including statements under section 1017d of the *Corporations Act*) However, if no such amount is provided to the member the field may be zero-filled.

For example, a defined benefit scheme issues an annual statement to members in which a member’s current equity is provided, being accumulated member contributions and earnings. Although the value of the member’s interest is not determined, it would be considerably more than this amount since this amount will form only part of the future defined benefit calculation. Nevertheless the member’s equity amount is reported to the ATO as the balance of the account.

The circumstances where no balance is available, and so the field must be zero-filled, include:

* an insurance-only policy where the only contributions are applied to pay premiums to an insurer rather than being accumulated, and
* an entitlement to a lifetime pension based only on years of service and final salary.

**Accumulation phase value**

This is the total value of the accumulation interest that would become payable on 30 June of the relevant financial year, if the individual voluntarily caused the interest to cease at that time, or if the regulations specify that value or a method for determining that value—that value.

This value only needs to be reported for:

* accounts that were in accumulation phase at 30 June of the relevant financial year (this includes some TRIS accounts where the member is under 65 if they have not notified you they have met a nil condition of release), and
* the reported ‘Account Balance’ amount on the MATS is not equal to the accumulation phase value.

**Retirement phase value**

This is the 'current value'  of the retirement interest that would become payable on 30 June of the relevant financial year, if the individual voluntarily caused the interest to cease at that time. This value only needs to be provided for:

* retirement phase interests covered by subsection 307-230(4) ITAA 1997, and
* the account is in retirement phase at 30 June of the relevant financial year, and
* the reported Account Balance amount on the MATS is not equal to the retirement phase value.

**Notional taxed contributions**

Notional taxed contributions are to be reported separately from *employer contributed amounts.* The notional taxed contributions amount for a defined benefit fund must be determined in accordance with the legislation (including Income Tax Assessment Regulations 1997 (ITAR 1997) regulation 292-170.02 to 292-170.08). It will generally be equal to the notional taxed contributions as determined by the provider with advice from an actuary.

However, transitional provisions, known as grandfathering, apply if the member held their defined benefit account on 5 September 2006 or 12 May 2009 and certain other conditions are satisfied. With the changes to members’ concessional contributions caps, it is no longer practicable for funds to report the capped amount for their grandfathered members. Now funds should report the full (uncapped) amount on the MATS, and identify the member as being eligible for grandfathering at the appropriate field on the MAAS – ATO systems will use this data to ensure the correct amount of contributions are used for any calculations.

**Defined benefit contributions**

For each member with a defined benefit interest, the amount of any defined benefit contributions, worked out using the formula specified in the ITAR 1997 for the purposes of *Division 293 tax* and calculation of concessional contributions including regulations 293-115.05 to 293-115*.*20.

In summary, these regulations provide for the following requirements:

**Funded interests -** an accruing member with a funded benefit interest, this is the amount of the notional taxed contributions you report for the financial year (that you calculated under Schedule 1A of the ITAA 1997 regulations for the purposes of the excess concessional contributions cap and reported at the *Notional taxed contributions* field) **but without** **limiting** that amount to the member’s concessional contribution cap under grandfathered arrangements.

The amount must therefore be equal to or greater than the amount reported at the *Notional taxed contributions* field.

**Unfunded interests -** an accruing member with a defined benefit interest that is **not** a funded benefit interest, this is the amount you calculate using the method set out in Schedule 1AA of the ITAR 1997.

Providers reporting for these unfunded interests will need to report this amount even though there may be no requirement to report *notional taxed contributions.*

For a person who is a non-accruing member for the whole of the financial year, the amount of defined benefit contributions is nil and this field must be zero-filled.

This field should also include the value of any **pre-tax** amounts your members are required to make (in addition to their employer contributions) that form part of the calculation of the defined benefit interest. That is, amounts paid towards the defined benefit and not part of a separate accumulation account are subsumed in the defined benefit contribution total and should not also be reported separately. The fact of whether an amount is required for the defined benefit contribution calculation and forms part of the defined benefit interest is a matter for the fund actuary.

**Post-tax** amounts that are compulsory for the defined benefit interest are non-concessional contributions and are reported at the Personal Contributions label as are all other personal member contributions. Although these amounts are required to fund the defined benefit, they are specifically subtracted from the calculation in the Regulations and therefore belong elsewhere in the reporting.

* + - 1. Employer contributions

These are (generally) contributions received from your member’s employer and include (but are not limited to) all mandated employer contributions such as superannuation guarantee, awards, agreements or other obligations, salary sacrifice and super guarantee charge shortfalls.

Employer contributions explicitly do not include any contributions made from an employee’s post-tax income (ie personal contributions).

|  |  |
| --- | --- |
| **Type** | **Description** |
| Employer SG | Contributions made to an accumulation interest on behalf of employees to meet super guarantee obligations. |
| Award | Contributions made to an accumulation interest on behalf of employees to meet award or productivity obligations. |
| Salary sacrifice | Contributions paid as a result of a salary sacrifice arrangement where the member agrees to forgo part of their future salary or wages in return for their employer providing a super benefit of a similar value. |
| Employer Voluntary | Any other employer contributions. |

Note the discrete reporting of salary sacrifice amounts is mandatory, however reporting ‘award’ and ‘voluntary’ amounts separately is optional. If a fund receives and stores these amounts as discrete items they are required to report them as such, otherwise these components can be included in the ‘employer SG’ amount.

* + - 1. Non-employer transactions

Any contributions other than employer contributions. These can be made from a number of sources, including the individual themselves, their spouse, or another (non-employer) third party.

|  |  |
| --- | --- |
| **Type** | **Description** |
| Personal | The contributions made by a member to an account in their own name including both deducted and undeducted member contributions. |
| Spouse contribution | Contributions made for a member by their spouse. |
| Child contribution | Contributions made for a member who is a child under 18 years of age. |
| Other third party | Contributions made for the member by relatives, friends and (non-employer) third parties. |
| Capital gains - small business retirement exemption amount | The personal contributions which a member has elected to exclude from the non-concessional contributions cap because of a capital gains tax (CGT) small business retirement exemption. |
| Capital gains - small business 15 year exemption amount | The personal contributions which a member has elected to exclude from the contributions caps because of a CGT small business 15-year exemption. |
| Personal injury/Structured settlement | Personal injury payments that a member contributes while notifying the provider that they are to be excluded from the non-concessional contributions cap. |
| Proceeds from primary residence disposal | Announced in the May 2017 Budget, (the ‘downsizer’ measure). Amounts the member has notified the fund are as a result of the disposal of their primary residence. These amounts are explicitly not counted towards either the concessional or non-concessional contribution cap.  The ATO expectation is the amount reported in a single transaction will not exceed $300,000. Amounts in excess of $300,000 are excluded from being downsizer contributions (under subsection 292-102 of the ITAA 1997), and therefore the fund will need to consider the contributions acceptance rules under regulation 7.04 of the SISR. |
| Other concessional contributions amount | Any other contributions that count towards the member’s concessional contributions cap, not reported under a different code. |
| Other non-concessional contributions amount | Any other contributions that count towards the member’s non-concessional contributions cap, not reported under a different code. |
| Excess foreign fund amount | Any part of the amount transferred to the provider from a foreign super fund or scheme that the provider must include in their assessable income under subsection 295-200(1) of the ITAA 1997. This amount consists of the difference between what was transferred and what was vested in the member at the time of that transfer (where the transfer amount is greater). |
| Non-assessable foreign fund amount | Any part of the amount transferred to the provider from a foreign super fund or scheme that the provider is not required to include in their assessable income. |
| Applicable fund earnings (elected) | The amount that a member has chosen to have included in the fund’s assessable income from a lump sum super benefit transferred from a foreign super fund or scheme. |
| Transfers from reserves - assessable | The amount that the ITAA 1997 includes as a concessional contribution because an amount was allocated to the member’s account from a reserve. |
| Transfers reserves - non-assessable | The amount that the ITAA 1997 treats as a non-concessional contribution because an amount was allocated to the member’s account from a reserve and not included as assessable income of the fund. |

Note the discrete reporting of spouse contributions and child contributions is preferred, however if funds do not receive or store these as separate amounts, they can be aggregated and reported as spouse contributions.

**Spouse contributions and child contributions should not be reported as personal contributions.**

* + - 1. Retirement phase events

The following table provides a description of the various events to be reported in the retirement phase event section of the MATS, as per section 5.5.5.4 above.

|  |  |
| --- | --- |
| **Acronym** | **Definition** |
| ICB | Child death benefit income stream – a dependant child that receives a death benefit income stream because of the death of a parent. This event type should also be reported for a reversionary child death benefit income stream that commenced prior to 1 July 2016. |
| ICR | Reversionary child death benefit income stream – a superannuation income stream that automatically reverts to a dependant child because of the death of a parent, where the income stream commenced on or after 1 July 2016. |
| IRS | Reversionary income stream – a superannuation income stream that automatically reverts to a nominated beneficiary on the death of its current recipient, where the income stream commenced on or after 1 July 2016. |
| LRB | Limited recourse borrowing arrangement – the transfer balance cap credit arising from repayment of an LRB arrangement. |
| MCO | Member commutation – the process of ceasing, in whole or in part, a superannuation income stream and converting it into a superannuation lump sum. In all circumstances with exception to commutations made when complying with a commissioner’s commutation authority. The superannuation lump sum that arises from a commutation may be cashed out of the superannuation system or can be retained within the superannuation system subject to the cashing rules for superannuation death benefits. |
| SIS | Superannuation income stream – a superannuation income stream in the retirement phase. Generally a right to receive periodic payments from a superannuation interest, for example a pension or annuity. This event type should also be reported for a reversionary income stream that commenced prior to 1 July 2016, and for the reporting of a non-reversionary death benefit pension (unless the beneficiary is a child, therefore ICB would apply as above). |
| STO | Income stream stops being in the retirement phase. |

* 1. Correcting reported information

Generally speaking, there are three methods for adjusting information reported:

1. cancel the original transaction, and re-report with corrected details
2. adjust the transaction details, by reporting the delta/difference (can be negative)
3. overwrite the reported amount (for details reported annually only).

When considering how to correct a reported transaction, please note:

* cancelled transactions will not display online
* transactions adjusted using a delta amount will have both the original and adjustment displayed online
* transactions overwritten will only have the most recent value displayed online.

Example 1:

* a fund reports an employer contribution for a member of $10,000
* sometime later, the fund identifies the correct amount was $1,000
* the fund cancels the original ($10,000) transaction, and reports the correct ($1,000) amount
* the member views their account via ATO online, and sees only the $1,000 employer contribution.

Example 2:

* a fund reports an employer contribution of $1,100
* the fund identifies the correct amount was $1,000
* the fund reports another employer contribution of -$100
* the member views their account via ATO online, and sees both the $1,100 and -$100 amounts.

Example 3A:

* a fund reports a notice of intent of $20,000
* the member lodges their income tax return, but only has sufficient income for an $18,000 personal super deduction
* the member varies their notice of intent down to $18,000
* the fund reports a notice of intent transaction of -$2,000.

Example 3B:

* a fund reports a notice of intent of $24,000
* the member lodges their income tax return, but does not have sufficient income to claim any deduction for personal super contributions
* the member varies their notice of intent down to nil
* the fund can either:
  + report a notice of intent transaction of -$24,000, or
  + cancel the original notice of intent transaction.

Example 4:

* an employer reports monthly employer SG contributions of $1,100 for a member
* the fund report reports these within 10 days of processing
* after 10 months, the employer advises the fund that $100 of each contribution was salary sacrifice
* as employer contributions relate to specific pay periods, the fund should lodge:
  + 10 separate transactions of -$100 employer SG contributions for the respective periods (or alternatively, cancel and re-report)
  + 10 separate transactions of $100 employer – salary sacrifice contributions for the respective periods.
    1. Cancellation process

The SPRMBRACCTX.Cancel message will be used to identify an original transaction to be cancelled.

In particular this method should be used where a contribution has been reported using the incorrect contribution type (for example, where an amount of personal contributions is incorrectly reported as employer contributions).

The reporting of retirement phase events can **only** be corrected by cancelling the original, and re-reporting the correct amount. (This includes correcting the third party details for a child death benefit beneficiary.)

As they impact a member’s transfer balance account, Personal Injury/Structured Settlement’ (SSP) amounts can only be corrected by cancelling and re-reporting (using the cancel and submit interactions). This is consistent with the current Transfer Balance Account Report (TBAR) reporting practices.

|  |  |  |  |
| --- | --- | --- | --- |
| **Where the fund provides** | **and ATO can** | **ATO will** | **And provide a** |
| A cancel request with a transaction ID | Match the transaction ID to an original transaction/s submitted by the same fund (identified by ABN and USI) | *Cancel all matched transactions* | *Confirmation of cancellation* |
| A cancel request with a transaction ID | Not match the transaction ID to an original transaction/s submitted by the same fund (identified by ABN and USI) | *Take no action* | *Error response indicating transaction was not cancelled* |
| A cancel request replaying the exact original message | Match the USI, member account number, timestamp, and transactional information to the original transaction | *Cancel all matched transactions* | *Confirmation of cancellation* |
| A cancel request replaying the exact original message | Not match the USI, member account number, timestamp, and transactional information to the original transaction | *Take no action* | *Error response indicating transaction was not cancelled* |

If attempting to cancel an already cancelled message, we will be unable to match the transaction and you will receive the standard error message advising the transaction has not been cancelled.

**Note** Transactional information relates to data elements in the member contribution balance amounts, employer contributions, non-employer transactions, retirement phase event, or notice of intent contexts.

Member attributes (such as the name or date of birth details) do not form part of the ‘transactional information’ therefore if this changes (for example, the member has changed their name) the cancel and original transactions can still be matched.

**Note** Where both a transaction ID and transactional data (such as the date, amount, and transaction type) are included, ATO systems will match based on the transaction ID.

If you re-use the same transaction ID for multiple transactions, sending a cancel request for that transaction ID will cancel *all* matching transactions.

Where you lodge an original transaction, then an adjustment/delta transaction (see 5.7.2 below), you will need to cancel both of these transactions separately. (Unless, per above, you utilise transaction IDs, and re-use the one transaction ID for both the original and adjustment transactions.)

* + 1. Adjustment process

Rather than cancelling and re-reporting the corrected details, in order to update the financial details funds may lodge a new MATS report to correct financial details. In this instance, funds would lodge a new MATS, reporting only the adjustment/delta amount which can be positive or negative.

When reporting an adjustment amount, generally there is no ‘link’ to an original transaction (unless the fund is using the same transaction ID). For the effective date of an adjustment transaction, funds should generally use an appropriate date for that correction (noting that this date will be visible by members). As a general guide:

* when making an adjustment to a single contribution, it would be appropriate to use the effective date of the original transaction
* when using a single adjustment amount to correct a number of separate transactions (eg a single transaction of -$400, to correct four separate transactions over-stated by $100 each) the fund may choose to use the date the correction was processed.

As a minimum, for the correct calculation of assessments and entitlements, it is essential that adjustments to **any** contribution type (employer or non-employer) have an effective date within the same financial year as the original contribution/s.

This method can only be used to correct the value of an amount reported, but explicitly cannot be used to correct the reporting of a retirement phase event. Noting that as ‘personal injury/structured settlement’ amounts impact the member’s transfer balance account, these are covered by the retirement phase event rules (see section 5.7.1 above).

**Note**

As employer contributions, relate to particular pay periods, any adjustments to these amounts should reflect the same pay periods.

* + 1. Overwrite process

Where the fund identifies an error in an annually reported amount, such as an account balance or notional taxed contribution amount, the fund can correct these simply by lodging a MATS with the corrected figure, and the same effective date.

When correcting the account balance, it is essential that funds report the same balance date (typically 30 June), otherwise the updated figure would be treated as a new, more current balance. (As ATO systems use the 30 June balance for calculations of assessments/entitlements, an incorrect balance date could lead to adverse outcomes for your members.)

* + 1. Summary of correction procedures

The following table provides a breakdown of how the various fields can be corrected:

|  |  |  |
| --- | --- | --- |
| **MESSAGE STRUCTURE** | **Amend/Replace** | **Cancel** |
| ***Reporting party – Fund Information*** | No | N/A |
| ***Intermediary*** | No | N/A |
| ***Member Information*** | No\* | N/A |
| *Member Details* | No\* | N/A |
| ***Transaction Information*** | No | N/A |
| ***Member Contribution Balance Amounts*** | Replace | Yes |
| *Phase* | As Per Main Element | As Per Main Element |
| ***Employer Contributions*** | Amend | Yes |
| *Employer Information* | Reqs Cancel\*\* | As Per Main Element |
| ***Non-Employer Transactions*** | Amend\*\*\* | Yes |
| ***Retirement Phase Event*** | No | Yes |
| *Third Party data* | As Per Main Element | As per Main Element |
| ***Notice of intent*** | Amend | Yes |

\* To change member information (for example where a contribution was reported for the incorrect member), a fund must cancel the original transaction and submit a new message with the correct values.

\*\* To change the employer details provided on a contribution the fund will need to cancel the original transaction and submit a new message with correct value.

\*\*\* With the exception of personal injury/structured settlement amounts.

* 1. Service Responses

No responses will be provided for a SPRMBRACCTX.Submit message, other than a validation response for rejected messages (as per section 4.5 of the common BIG/section 6.5 of the common MIG).

The SPRMBRACCTX.Cancel message will be used to identify an original transaction to be cancelled.

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|  |  |  |  |
| --- | --- | --- | --- |
| **Where the fund provides** | **and ATO can** | **ATO will** | **And provide a** |
| A cancel request with a transaction ID | Match the transaction ID to an original transaction | *Cancel the most recent transaction with the transaction ID* | *Confirmation of cancellation response* |
| A cancel request with a transaction ID | Not match the transaction ID to an original transaction | *Take no action* | *Error response indicating transaction was not cancelled* |
| A cancel request replaying the exact original message and no transaction ID | Match the USI, member account number and timestamp to the original transaction | *Cancel all matched transactions* | *Confirmation of cancellation response* |
| A cancel request replaying the exact original message and no transaction ID | Not match the USI, member account number and timestamp to the original transaction | *Take no action* | *Error response indicating transaction was not cancelled* |

1. Frequently Asked Questions

|  |  |  |
| --- | --- | --- |
| ***Number*** | ***Question*** | ***Answer*** |
| 1 | Do I still need to lodge an MCS? | Once deployed, the combination of both the Member Account Attribute Service (MAAS) and the Member Account Transaction Service (MATS) replace the current MCS.  The last year for which an MCS will be required is the year ending 30 June 2018. You will still need to lodge an MCS to report any contribution received on or before 30 June 2018. |
| 2 | Will the ATO link the MATS to a MAAS? | Yes, in order to have a full and accurate profile of a member together with their contributions requires the MAAS and MATS details to be linked. |
| 3 | What is the legal obligation to lodge via MATS? | Compliance with APRA fund reporting through MATS will be managed through an updated legislative instrument and instrument of approval. |
| 4 | Will the ATO review what security will be in place to manage such large volumes of data in terms of cyber security? | The ATO has standard processes in place to protect the data from cyber threats. |
| 5 | How will MATS support pre-MATS amendments (ie amendments of MCS and TBAR)? | The ATO will support TBAR amendments (ie Retirement Phase Events reported in the TBAR through BDE) through both BDE and MATS.  For MCS amendments, the amended MCS (AMCS) process will remain available for a period. After this time, an online form will be available through the ATO portal. |
| 6 | Will there be a cut over strategy and plan developed to support the MATS rollout? | Yes, as there will be an extended cutover period (including the need for back reporting) there will be an orchestrated deployment schedule established with industry. |
| 7 | Will the ATO provide more detail as to how they will link MAAS to MATS to ensure there is little member impact if there is an unmatched record? | Where there is an unmatched record (ie MAAS not successfully matched in internal ATO matching, or MATS did not have a corresponding MAAS), these records are still saved in ATO systems. System processes will attempt to link the records together when subsequent MAAS/MATS information is received. |
| 8 | Are there changes required to satisfy the personal superannuation contribution deductions changes if the advocacy does not pass? | Yes, reporting the Notice of Intent (NOI) details through the MATS:   * - date NOI received/processed (optional) * - amount processed for the NOI * - financial year to which the NOI applies. |
| 9 | What are ‘other contributions’? | Examples of other contributions include:  a) non-concessional cap calculations for any amount transferred from a first home saver account (FHSA)  b) any FHSA government contributions paid after the transfer  c) last minute employer contributions that the trustee of a public sector super scheme has chosen not to include in assessable income  d) a KiwiSaver amount the KiwiSaver scheme or member has shown to be either an Australian-sourced amount (which is generally an amount that was previously received by a KiwiSaver scheme from an Australian super provider), or a returning New Zealand-sourced KiwiSaver amount (which is generally a New Zealand amount that has previously been treated as a non-assessable foreign fund amount in Australia). |
| 10 | Does MATS reporting replace superannuation contribution payment reporting for single touch payroll? | Based on government announcement on 29/8/17, this is the case:  http://kmo.ministers.treasury.gov.au/media-release/086-2017/ |
| 11 | Account Balances are generally not held internally by funds, requiring expensive processing costs for some funds to provide these balances throughout the year. | ATO only requires the account balance (as at 30 June) annually for its internal processes. Account balances will also be displayed for members on ATO online. |
| 13 | Definition of effective date. | Renamed ‘effective date’ to 'receipt date' to align that date reported is when the payment was received in the fund's bank account. ATO’s view is that the population of this ‘receipt date’ should be in the best interests of the member as this is the date the ATO will use for compliance and determination purposes. |
| 14 | How will the ATO manage small amounts such as income protection payments? | If these payments are paid by employers, they are to be reported as employer contributions. |
| 16 | How will MATS transactions be treated if the account has already been closed? | Transactions will still be able to be reported for accounts which have been closed; this is true for both original and adjustment type transactions. |
| 17 | Where a member withdraws contributions under the First Home Buyers Super Saver Scheme (FHSSS) but does not purchase a property, these amounts must be re-contributed. How should these re-contributed amounts be reported? | Any re-contributed FHSSS amounts should be reported via the MATS for the period in which the re-contribution is made. For clarity, these re-contributed amounts do count towards the member’s non-concessional cap.  In all circumstances, re-contributed FHSSS amounts should be reported as personal contributions |
| 18 | If a fund has to correct reported Account Balances for two or more years - can these be forwarded in the same MATS Submit batch provided the financial years are defined? | Yes, there is no issue sending in updated account balances for multiple years (correctly identified) within the one batch.  Our systems will process each transaction independently – even where they are for the same account. |