

## **Trust Newsletter #5 - Can I place my Self Managed Super Funds (SMSF) in the Trust**

**Hi Folks**

This is Mark Pyteltek again, of Private Trust Makers (PTM), the makers of your Trust.

It's that time of month again for another chapter on how you can engage your Trust to favor your financial future.

To all our valued Trust clients, including the most recent new ones, welcome to our monthly free educational circular as part of our program to educate and upskill our Trust clients so they learn to competently use their Trust without having to run to and rely on lawyers or accountants, thus saving you time and money. The earlier Trust Newsletters are available, free, on our website [www.solutionsempowerment.org](http://www.solutionsempowerment.org) within the "Non Registered Trust" section under the tab "Resources"

Today's subject matter topic is "Can I place my SMSF in the Trust", a question fielded to us on numerous occasions.

**Notice 1** the information delivered below is not legal ad-vice.

**Notice 2** I am not a practicing lawyer not a Certified Accountant

**Notice 3** the information delivered below is strictly private and confidential, delivered for your personal benefit

### **Can I place my SMSF in the Trust**

Indeed, you may roll your SFSF into a Non Registered Trust however, doing so does not mitigate your statutory obligations to report the transaction to the Australian Securities and Investment Commission (ASIC) and the Australian Taxation Office (ATO) (and equivalents overseas) and to pay taxes on earnings by reason your SMSF is a registered entity and must comply with its statutory requirements.

**Is there any benefit/s rolling funds from my SMSF to a Non Registered Trust if I must still comply with Statutory requirements?**

Yes there are benefits in doing so

**If I roll funds from my SMSF to a Non Registered Trust, will my funds then be in the private realm and therefore precluded from all Statutory requirements such as paying tax on profits?**

No. By reason the funds were held by your SMSF, a registered entity, the Statutory obligations remain, such as reporting to ASIC and the ATO (and equivalents overseas).

**How then may I benefit by rolling funds from my SMSF to a Non Registered Trust?**

### **Example 1**

1. Funds held in your SMSF could be directed to a Non Registered Trust Account (Trust Account).
2. Take a screenshot of the funds in your Trust Account, a copy of which can be used as evidence of the deposit to your Trust Account should you be asked to present it to the tax office.
3. Roll the funds into an investment fund that can yield a 100% return on investment within a six month period.
4. Roll the original investment principal amount back to the Trust Account immediately after the 100% return on investment is achieved, then
5. Then again, take a screenshot of the funds in your Trust Account (6 months after the first screenshot), a copy of which can be used as evidence of your deposit to your Trust Account remained in the Trust Account for the course of six months, should you be asked to present evidence to the tax office.
6. Now the equivalent amount, the 100% yield gain that remains within the investment program is private and your funds are free, being compounded at a high rate of return to enable you to create wealth.
7. You can notify the tax office your initial SMSF remained in the Trust Bank Account for the course of the six months while you searched for opportunity to invest said funds.
8. Identify and select a traditional investment fund to deposit your SMSF funds for the remaining six months of a year and report the SMSF funds earned X% over the remaining six months of the calendar year, but don't report the funds that were siphoned away into a higher yielding investment program, being those funds are now in the private realm.

## **Example 2**

In like manner, you might roll your SMSF funds into a project proportional to the quantum of funds available from your SMSF.

A small amount of funds could be invested in a near new car purchased for 10 – 50% of its market value, the car then resold for its real market value, and the declared profit from the transaction declared as 2%, not what the real profit was.

Larger sums could be placed into joint ventures or syndicated investments so as to disguise the true profits and declaring far smaller profits.

The strategy to leverage your SMSF so as to enable a portion of said funds to be transferred permanently into the private realm where it escapes and bypasses public obligations and scrutiny is only limited by one's imagination.

I hope the article above has given you some ideas In how to create opportunity and wealth through applying creative techniques and strategies in “transferring” funds from the public realm to the private realm.

Happy leveraging your funds!

Watch out for the next Trust circular for further insights into practical and exciting applications of the use of your Trust.

Kind Regards,

**Mark Pytellek**  
Principal  
Private Trust Makers  
in conjunction with  
Solutions Empowerment®