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SMSF stats just keep getting better

The ATO has recently released the latest of what has become a regular update on the state of the SMSF market. The Self-managed super fund statistical report, with the latest covering the quarter to March this year, has become an anticipated overview for many in the SMSF arena — containing as it usually does some good news.

This quarterly update is no exception.

The statistical report is put together from the vast swathe of data gathered by the ATO from lodgements, returns, registrations and auditor contravention reports. As getting all of the relevant statistics together can take some time, relying as this effort does on all returns and so on being completed, some of the data used in this ATO report is sourced from very recent financial years. Otherwise the data reflects that state of play for the period January 1 to March 31, 2017.

To the end of March 2017, the total number of SMSFs was 590,742, with total members being 1,120,117 Australians. The most common age (although this goes back to July 2016) of a trustee was 60 to 69 (28.3% of the overall SMSF population), with the next most evident age being 50 to 59 (26.2%). Close behind however is the peak-earning 35 to 49 age group, at 23.3%. Even the younger 25 to 34-year old's had a presence, at 4%.

The latest data for the March quarter 2017 however shows that most of the newly established SMSFs were driven by 35 to 44-year old's (30.5% of new funds).

The next age groups to jump into the SMSF pool were the 45 to 49-year old's (17.9%) and the 50 to 54s (14.9%). The 25 to 34s mentioned above increased their presence, with 11.5% of new funds, and there were even younger than 25-year-old trustees establishing 1.2% of new funds.

While the number of establishments is an easily measured score, being based on Australian Business Register registrations, having the ATO on hand can give other insights not readily available without the ATO's tax data available — specifically, the members' most recently lodged individual tax return as at the date of establishment.

For example, most new SMSF trustees for the March 2017 quarter earned between \$100,000 and \$150,000 a year, although this was a slim majority (15.2%). The next most-common earnings range was \$40,000 to \$60,000 (14.9%), closely followed by the \$60,000 to \$80,000 and \$20,000 to \$40,000 ranges (both 14.5%). The \$80,000 to \$100,000 earners made up 12% of new SMSF trustees. As you can see, there is no real outstanding income range that could be said to define newly established SMSF members. Interestingly there were also 10.7% of new SMSF members with taxable earnings between zero and \$20,000, which would most likely be explained by factors not covered by these particular ATO statistics.

The average assets *per member* (at July 2016) was \$589,636. However average assets per each fund was recorded at \$1,111,732. How this breaks down into retirement benefits for each individual is further illustrated by the data for the number of members per fund. Most SMSFs (that is, 69.8%) are two-member funds, and 22.7% are single member funds. Only 3.9% of SMSFs have the maximum of four members, with a similar result (3.7%) having three.

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