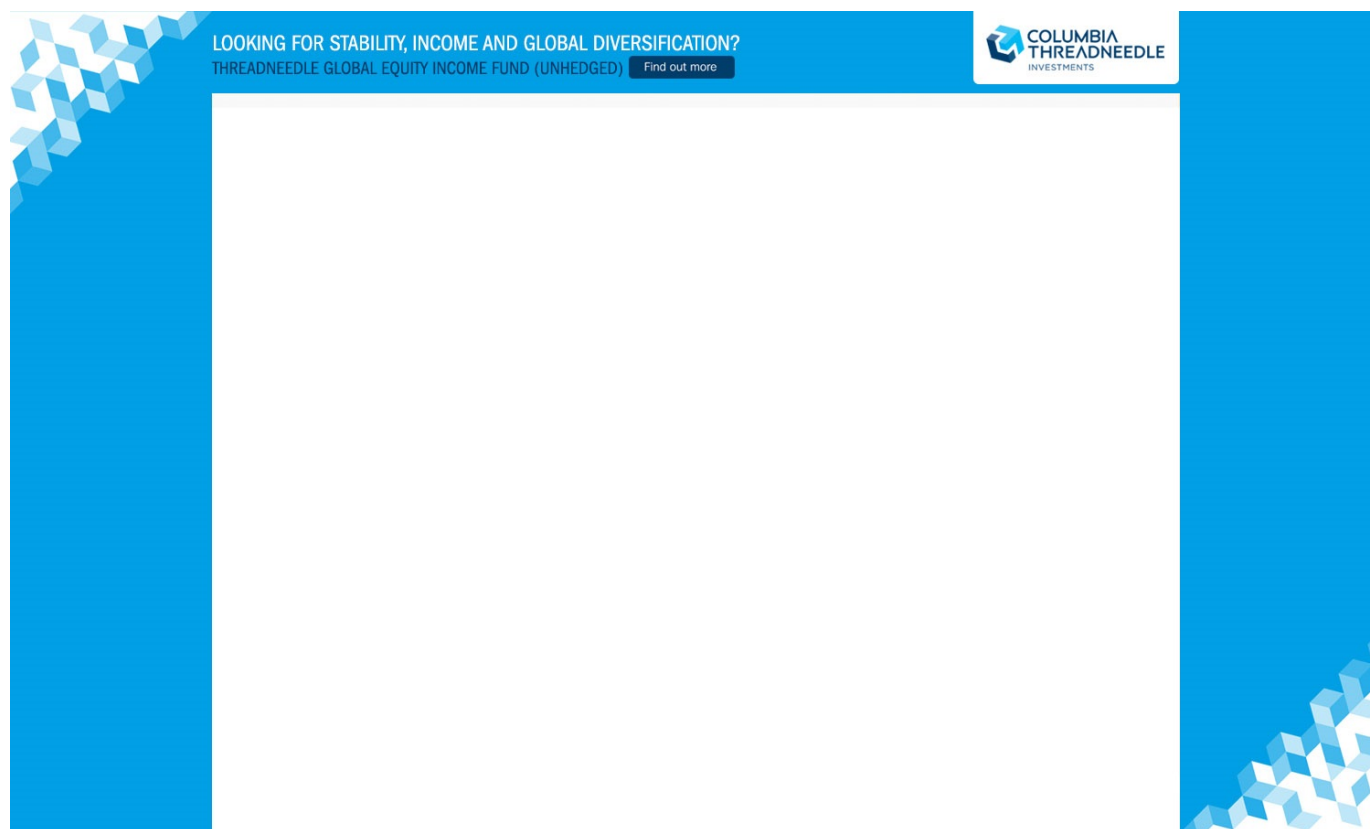


Missing limited AFSL deadline means 3-year wait



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Accountants who miss the limited AFSL application deadline may have to wait until 2019 to apply again, says financial services law firm The Fold Legal.

In a blog, senior lawyer Jaime Lumsden Kelly said 276 limited licence applications have been submitted to date, with 30 per cent of those granted. Accountants who wait until the last minute to lodge their applications risk waiting another three years before they can apply again, she added.

"This is because after 30 June [2016], you'll need to accumulate three years of experience as an authorised representative to demonstrate to ASIC that you have the requisite experience to be a Responsible Manager on a licence," she said.

"While most accountants have this experience for SMSFs, they cannot lawfully demonstrate they have that experience for class of product authorisations."

Ms Lumsden Kelly said accountants will need a class of product authorisation for even suggesting an SMSF open a bank account. She added that accountants applying on the 30 June deadline also risk getting denied and having to wait until 2019 to reapply.

"If you lodge your application on 30 June, and ASIC assesses it as woefully inadequate, they will not accept your application for processing. You'll need to start all over again—and you just missed the licensing boat. Now you have to wait until 2019," Ms Lumsden Kelly said.

"There is no reason to delay until the last minute. SMSF advice will continue to be exempt until 1 July. No additional obligations will apply to you if you obtain an AFS licence early, and you'll have the comfort of knowing your licence is already settled."