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MAKE SURE YOU DON'T SHORT CHANGE YOURSELF: Minimum Payments for Super Pensions

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COMPREHENSIVE REPORT

Paying benefits from retirement phase attracts generous tax concessions for self-managed superannuation funds (SMSF) and its members. For the fund to gain the concessions it's essential that the SMSF complies with all of the conditions in the Superannuation Industry (Supervision) Act 1994 (SIS Act). One of the more important conditions is to ensure the pension standards are met and the minimum pension amount is withdrawn each year.

This paper looks at the calculation of minimum annual payments for account-based pensions and the implications when a pension commences at any time during the financial year. It also considers the consequences of not meeting the minimum pension payment amount as well as the treatment of commutations of an account-based pension.

Because the non-payment of a minimum pension impacts the members TBA, the paper will briefly examine TBAs and how it is affected if there has been a failure to comply with the minimum pension payment.

This paper will only consider issues relating to account-based pensions, and will not address similar considerations in market linked pensions.

Account Based Pensions

The SIS Regulations (SISR) set out conditions required for the payment of an account-based pension. An account-based pension:

- is not limited to a specific term,

- minimum payments must be made annually based on the value of the pension account and the member's age, and
- is able to be commuted (converted) to a lump sum at any time and can include provisions that allows commutation on the member's death or allows a nominated beneficiary to commute the pension if they choose.

Tax concessions available to the fund when an SMSF is in pension mode.

An SMSF that complies with the SIS Act will normally pay tax at a concessional rate of 15% on its taxable income. Capital gains on fund assets that have been owned by the SMSF for longer than 12 months receive a 1/3rd reduction which results in an effective tax rate of 10%. Further tax concessions are available if the fund commences the payment of a superannuation income stream, also called a pension, that is in retirement phase. Retirement phase commences as a general rule when a member has met a condition of release of retirement after reaching preservation age.

Once the retirement phase pension has commenced, the SMSF is able to claim eligible assessable income as exempt from fund income tax. However, this exemption is only be available for income earned from the assets which support the retirement phase superannuation income stream. This is known as exempt current pension income (ECPI). The amount of ECPI for an SMSF depends on a number of factors, including the method used to claim ECPI.

Since 1 July 2017, earnings from assets which support a transition to retirement income stream (TRIS), that is not in the retirement phase, are not eligible for ECPI, and are taxed at 15% as a general rule. This applies to all TRIS regardless of the date which the pension commenced. A TRIS is a pension that commences after a person has met a condition of release but has not retired for superannuation purposes.

The exempt current pension income can be claimed in the SMSF's tax return once the fund commences paying one or more retirement phase income streams. However, the fund is not automatically entitled to the exemption. There are steps that must be complied with in order to claim it.

Segregation Method

Where the fund is claiming the tax exemption for assets held solely to support retirement phase income streams during the income year, it can use the segregated current pension assets method for claiming ECPI.

The segregated current pension assets method allows a trustee to choose specific assets and declare they are supporting the retirement phase interest in the fund. The income earned on those assets will then be entirely tax exempt. However, any nomination must be made in advance, and noted in the trustee's minutes. Trustees must also make sure that any such nomination is reflected in the investment policy of the fund.

An SMSF will also use the segregated method where it has a period or periods in the income year where the fund wholly consists of retirement phase pensions, and the pensions do not include defined benefit pensions. The period or period are referred to as a period of "deemed segregation", as the trustee(s) in these situations has not intentionally set aside assets to support the retirement phase pensions, but they are "deemed" so as all of the member benefits are in retirement phase pensions.

The other method for claiming ECPI is to use the proportionate use or unsegregated method, which calculates the tax-exempt income proportion of the fund attributable to the members current pension assets. This calculated proportion is then applied to the fund's eligible assessable income to determine the amount of ECPI. Where the proportionate method is used, the SMSF trustee must have obtained the relevant actuarial certificate prior to lodgement of the SMSF annual return for the relevant income year.

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The following two aspects of claiming the exempt current pension income;

- Firstly, both methods for claiming ECPI can be used in the one income year, and
- second, an SMSF that has 'disregarded small fund assets' for an income year must use the unsegregated method for claiming ECPI.

  In relation to that second point, just to round out the explanation, an SMSF will have 'disregarded small fund assets' for an income year where:

- Prior to 30 June a member was in retirement phase AND that same member had a total superannuation balance at that time in excess of \$1.6m; and
- The SMSF has a member in retirement phase at any time in the income year; and

- The SMSF does not whole consist of retirement phase account-based pensions for whole income year.

All these must apply for the SMSF to had disregarded small fund assets in a given income year.

Timing

If a fund is likely to achieve a significant capital gain during a particular part of the year, or if a commutation from the members current pension account or an accumulation account is to occur during the year, the timing of those events can significantly impact the exempt current pension income calculation, beneficially or detrimentally. Advice should be taken in relation to all of these circumstances.

Also, an SMSF will be required to obtain an actuarial certificate to claim exempt current pension income where it uses the proportionate method. The certificate must be obtained prior to lodgement of the SMSF annual return.

An SMSF is not required to obtain an actuarial certificate to claim ECPI where the segregated method is used or the fund was wholly in retirement phase for the whole of the year, unless the retirement phase pensions include defined benefit pensions. SMSFs that are paying defined benefit pensions are very uncommon, but you must keep an eye out for that.

Where the SMSF uses both methods to claim ECPI in the income year, the actuarial certificate will only cover the period or periods where the proportionate method is used. The ECPI percentage for these periods will be the same.

Current Minimum Pension Amount Required to be Withdrawn Each Year

The minimum annual pension payment required is calculated by multiplying the members pension account balance by a percentage factor based on the member's age. The amount is rounded to the nearest $10, so that if an amount ends in an exact $5, it is rounded up to the next $10.

The percentage factor for an account-based pension can be obtained from Schedule 7 of the SIS Regulations. The Schedule has rules for paying the required minimum pension, including the percentage factor based on the pension recipient's age at 1 July of the relevant income year. Alternatively, where the pension commenced during the relevant income year is their age at the date of pension's commencement. It also notes those income year's where the minimum pension amount was reduced, for example, for the 2019/20 through to the

2022/2023 income years, the required minimum pension amount was reduced by 50%.

The balance to which the relevant percentage factor is applied also depends on whether the account-based pension is a continuing pension, in which case the balance at 1 July is used, or if the pension commenced during the income year, where the commencement value of the pension is used.

The following table shows the relevant percentage factor based on the member's age.

	Income years inclusive	
	2019/2020 - 2022/2023	**2023/2024 onwards**
Under 65	2%	4%
65-74	2.5%	5%
75-79	3.%	6%
80-84	3.5%	7%
85-89	4.5%	9%
90-94	5.5%	11%
95+	7%	14%

The above withdrawal factors are indicative only. To determine the precise minimum annual payments, it's necessary to review, by pro-rating the time of pension commencement and other rules set out below.

A members age is determined at either;

A. 1 July in the financial year in which the payment is made; or
B. The commencement date of the pension in the year in which it commences.

The account balance means one of the following;

A. The pension account balance on 1 July in the financial year in which the payment is made, or;
B. The pension account balance on the pension commencement date, if the pension commenced during the financial year.

Where the pension commences after 1 July, the minimum payment amount for the first year is calculated proportionally to the number of the days remaining in the financial year, starting from the commencement date.

To calculate the minimum payment amount, the trustee will multiply the minimum annual payment amount by the remaining number of days in the financial year and divide by 365. This is expressed as:

Minimum payment amount equals:

$$minimum\ annual\ payment\ amount\ \times \frac{remaining\ number\ of\ days\ in\ income\ year}{365}$$

If the pension commences on or after 1 June in the financial year, no minimum amount is required to be paid in that financial year.

Example 1. Pension commences after 1 July.

Albert commences an account-based pension on 1 January 2020 at age 66. His pension account balance on the commencement date is $250,000.

The minimum annual payment amount would be $6,250 (being 2.5% of $250,000), however because the pension commences on 1 January 2020, the required minimum amount is calculated proportionally from the commencement date to the end of the financial year;

$6,250 (minimum annual pension amount) x 182 (days remaining) / 366 days (2020 is a leap year) = $3,116.43.

The minimum payment required for the 2019/20 year is $3,116.43 ($3120 rounded up to the nearest $10).

Example 2. Pension commences after 1 January 2023.

Constance commences an account-based pension on 1 September 2023, at age 70. Her pension account balance on the commencement date is $500,000. The minimum annual payment amount would be $25,000 (being 5% of $500,000). However, because the pension commenced on 1 September 2023, the required minimum amount is calculated proportionally from the commencement date to the end of the financial year. $25,000 (minimum annual pension amount) x 303 (days between 1 September 2023 and 30 June 2024) / 365 days = $20,753.42.

The minimum payment required for the 2023/24 income year is $20,760 (rounded up to the nearest $10).

Consequences if the Minimum Pension Payment Obligations are Not Met (TR2013/5)

All retirement phase pensions that satisfy the minimum standards will generally be treated as superannuation income stream benefits for tax purposes. This means that the fund can claim a tax exemption on the income earned on pension assets (ECPI).

Where the minimum pension standards are not met, the payments won't be treated as superannuation income stream benefits and the income is not tax exempt.

Failing to meet the minimum pension payment standards for an income stream not only means that the fund loses its tax exemption on current pension income for the relevant year, but there are also TBA consequences. Let's look at how this works.

Workings of Transfer Balance Account

A transfer balance account (TBA) records transfers into and out of retirement phase as credit or debit events. The ATO will maintain a record of an individual's TBA using reports known as "transfer balance account reports" (TBAR). These reports are sent to the ATO by the individual superannuation fund. Consequently, it is important for SMSFs to report all TBA events to the ATO at least quarterly so that their record is accurate and current at all times. Amounts that are not reported to the ATO in time may result in excess Transfer Balance Cap amounts which are inaccurate and may result in the fund member paying tax which is unnecessary.

The TBA will keep a running balance of how much of an individual's TBC has been used and is available. It's sort of like having your superannuation passport, with the stamps in the passport using a system of debits and credits.

The introduction of the TBA was designed to reinforce the fact that superannuation is about providing retirement income and is not an intergenerational wealth transfer or tax minimisation opportunity.

Impacts on TBA of Not Meeting Minimum Payment

The impact on the TBA of not meeting the minimum pension payments in any year include:

1. The credit that arose when the member commenced the income stream remains in that individual's TBA, and
2. The trustee is required to report to the ATO the date that the superannuation income stream ceased to be in the retirement phase for transfer balance cap purposes. This creates a debit in the individual TBA at that time.

The value of the debit to the transfer balance is the amount which has been transferred back to the accumulation account as a result of the cessation of the income stream. In most cases, this won't equal the original credit due to payments which have already been made.

In these circumstances, the trustee is required to report to the ATO the date of that superannuation income stream cessation within 28 days of the end of each quarter in which the pension ceased to be in retirement phase.

Example 3. Trustee fails to pay minimum pension for the income year.

Bob is a member of the ABC Superannuation Fund (SMSF) and has commenced an account-based pension with a pension account balance of $200,000. The minimum annual payment required for the relevant year as calculated by the trustees of the ABC Superannuation Fund was $10,000.

During the relevant year, the trustee made a single payment to Bob of $5,000, and at the end of the year the balance of his account-based pension was $195,000. Because this amount is less than the minimum annual payment required, the superannuation income stream has not met the requirements of SIS for the year because it is below the minimum payment. The superannuation income stream thus ceased for income tax purposes at the beginning of the income year and the $5,000 payment is regarded as a superannuation lump sum.

Even though Bob remains entitled to receive payment from the fund under the rules in future years, the fund didn't comply in the relevant year.

Bob can recommence his pension on the following 1 July provided that the correct minimum pension is made in that following year. That requires the trustee to revalue the assets to market, and re-calculate the minimum pension payment required at the start of the new pension.

The effect on Bob's TBA is as follows;

Date	TBA Event	Credit	Debit	Balance
1 July of income year one.	commencement of account-based pension.	$200,000	-	$200,000
30 June at income year one	account-based pension ceased to be in retirement phase.	-	$195,000	$5,000
1 July of income year two	recommence account-based pension	$195,000	-	$200,000

Temporary Minimum Payment Reduction Period

How to Plan for Return to Normal

As set out above, there have been a number of income years where minimum superannuation payment requirements for account-based pensions were reduced by 50%. This was largely driven by the pandemic and prevailing economic conditions.

From 1 July 2023, the minimum annual drawdown reverts to normal rates. This means that retirees who withdrew the minimum amount will need to double their recent level of payments as from the 2023/24 financial year. For those who will be celebrating a milestone birthday such as turning 65 and for every 5 years thereafter, the minimum drawdown will increase even more, as set out previously.

Pension Planning Strategies to Meet New Rules

For pension planning strategies, the following are useful considerations;

1. Where an individual has been drawing the minimum pension payments prior to 1 July 2023, they will need to ensure they have sufficient cash flow to support the higher minimum payments in subsequent years. If not, they may need to review their investment strategy and allocate more assets to shorter term cash or liquid investments.
2. Some retirees may find that the new minimum pension payment is more than they need. If so, there are options.

    a. If they are under 75, they could reinvest any pension payment that they don't need into their accumulation account. If their total superannuation balance is under the transfer balance cap (which for those who commence pensions in 2023/24 year is $1.9M) they can make non-concessional contributions until they turn 75. There is no longer any need to meet a work test to make this type of contribution.

    b. If they can't make additional superannuation contributions but wish to retain monies in superannuation, they could consider commuting or ceasing their pension. This would transfer their pension balance to the accumulation phase, and would lead to them starting a new pension at some later point with a lower balance. A pension with a lower balance has a lower minimum withdrawal, with the tax exemption on the earnings of that lower balance retained.

    c. Pensioners shouldn't feel that they have to set their pension payment strategy in stone on 1 July when the new year minimum is calculated. It is possible to change the amount of their payment during the financial year, provided they meet the minimum annual withdrawal requirements.

Practical Impacts of Not Meeting the Minimum Payment Requirements

Where the retiree fails to meet the minimum pension payment requirements, the following are the impacts;

1. The superannuation income stream ceases for income tax purposes (except where the ATO allows an exception); and
2. The ATO will treat the retiree as not having been paid the superannuation income stream from the start of that income year.

If the minimum pension standards, including the minimum payment requirements are met the following income year, then a new pension commences.

Exceptions to Payment Rules

The Commissioner can allow an income stream to continue even if it doesn't meet the minimum pension standards in limited circumstances. The exemption generally applies if the following conditions are met;

1. The minimum pension amount was not paid in that income year because;
    a. An honest mistake resulted in a small underpayment being no more than 1/12 of the minimum annual pension payment amount, and not the pro rata amount; or
    b. There were matters outside of the retiree's control that prevented the pension from being paid.
2. If the income stream was in retirement phase, the tax exemption would have continued if the trustee had made the minimum payment,
3. When the retiree became aware that the minimum payment was not made they;
    a. Made a catch-up payment as soon as practical in the current income year, or;
    b. Treated a payment made in the current income year as being made in the prior income year.

4. If they had made a catch-up payment in the prior income year, the minimum pension standards would have been met.
5. If they treat the catch-up payment, for all other purposes as if it were made in the prior income year.
6. They can self-assess whether the conditions are met provided they have not applied the exception for a previous income year. This exception can only be used once.

If all of the above conditions are able to be met, then;

1. The superannuation income stream is taken to have continued, and a new pension is not commenced in the current income year. The proportioning rule does not need to be applied again to determine the tax free and taxable components.
2. If the income stream was in the retirement phase, they can continue to claim a tax exemption for earnings on assets supporting that pension.
3. Payments made during the prior income year are treated as superannuation income stream benefit payments and not superannuation lump sums.

If all conditions above are not met, the superannuation income stream will be treated as having ceased at the start of the income year for income tax purposes.

Example 4. The trustee failed to meet minimum pension requirements for the year ending 30 June, due to the members jury duty case running longer than advised in the summons.

In this case, the trustee can self-assess and apply the exemption if all of the following were true;

- They made payments during the year and their failing to meet the minimum payment requirements was due to a circumstance beyond their control,
- The underpayment was small (it did not exceed 1/12 of the minimum annual pension payment).
  - They made a catch-up payment as soon as practical in the following year.
  - They have not previously been granted the exemption for failing to meet the minimum requirements.

Example 5. Trustee travels overseas on short notice to attend to a business-related crisis, and does not make the June 30 pension payment until next income year.

The trustee can apply for the exemption if all the following are true;

- The trustee made an honest mistake,
- The underpayment is small,
- They always met minimum pension payments in the past,
- They made a catch-up payment as soon as practicable.
- They have not previously been granted the exemption.

If they satisfy all of the above conditions, they can apply the exemption to treat the SMSF as having continued to pay a super income stream.

Does The Fund Lose its Exempt Current Pension Income Tax Treatment on The Death of a Member Receiving a Pension?

A pension ceases immediately when a member in receipt of that pension dies. The only circumstance in which that doesn't apply is where the pension is nominated at the time of its commencement as reversionary, and there is a dependent beneficiary who is entitled.

Where the pension automatically transfers to the reversionary beneficiary on the death of the pensioner, the trustee must ensure that the minimum pension payments due to the deceased member continue to be made. This includes the minimum in the year in which the deceased member dies.

In circumstances where the pension isn't reversionary and is considered to have stopped immediately on the death of the member, there is no need for any further payments to be made. However, whilst the pension is considered to have ceased upon the member's death, the income tax rules allow the fund to continue to claim ECPI, using either of the relevant methods, provided the deceased member's benefit is cashed as soon as practicable.

Also, it's worth noting that Trust Deeds often have a provision whereby the trustee can resolve to commence a pension payment to an eligible death benefit dependant. This would be particularly helpful in circumstances where that eligible death benefit dependant is not in receipt of their own pension but has been relying on the pension of the deceased member.

Transfer Balance Account Report Requirements

It's also important to consider the events-based reporting requirements of a transfer-balance account report (TBAR) in circumstances where a pension is reversionary. The TBAR is needed when it is necessary to advise the ATO about when a reportable event occurs.

On the death of a member receiving a reversionary pension, the trustee is required to lodge a TBAR within 28 days after the quarter in which the member died. The TBAR needs to reflect the value of the pension account of the deceased person at the date of death. That TBA is added to the TBAR of the reversionary beneficiary 12 months after the death of the member. The death of the member is not a reportable event.

This can lead to a concern for the reversionary beneficiary that the value of that pension is added to their TBA and may exceed their cap.

The reversionary pensioner will then need to ensure that they are able to absorb this additional amount, which may involve them converting their own pension back to the accumulation phase in order to continue to receive the reversionary pension.

Care should be taken to ensure that this conversion does not occur until it is absolutely necessary, to enable both pensions to continue to receive the exempt tax treatment on earnings for as long as practicable.

Example 6. Bob commences an account-based pension with a TBA of $1 million on 1 July 2022, at age 75 from his ABC Superfund. He dies on 30 September 2023, and the value of the account-based pension balance at that time is $985,000. When the pension was established, he nominated Betty as the reversionary beneficiary.

On Bob's death, his TBA is extinguished. The SMSF is not required to report to the ATO, because a member's death is not a reportable TBA event.

However, the reversion of Bob's account-based pension to Betty is treated as the commencement of a new retirement phase pension for Betty, for TBA purposes.

Accordingly, the SMSF will be required to report this TBA in respect of Betty to the ATO via a TBA report (TBAR).

The TBAR will be required to be lodged 28 days after the end of the quarter in which the reversionary pension commenced, being the date of Bob's death. Consequently, the due date for the TBAR is 28 October 2023.

The commencement value of Betty's new retirement phase pension is the value of the pension on the date it reverted to her, being the date of Bob's death, which is $985,000.

This will be the amount of the credit that will arise in Bettys' TBA on the 12-month anniversary of the commencement of the pension, being the 12-month anniversary of Bob's death.

The 12-month deferral of the TBA credit for Betty only applies as the pension has been established as reversionary at the time Bob commenced it.

Because there is a TBA credit for Betty as a consequence of Bob's account-based pension reverting to her on his death, she may be required to fully commute or partially commute her own pension to her accumulation account. This will ensure that when the credit arises in her TBA on the 12-month anniversary, it does not result in her TBA exceeding her TBA cap.

However, if Betty chooses, or is required to commute any portion of the reversionary account-based pension as it's a death benefit pension, the commuted amount must be paid out of the superannuation fund. Betty could not retain the amount in her accumulation amount.

Withdrawing a Lump Sum from SMSF While Continuing to Receive a Pension

A SMSF can pay benefits in the form of a lump sum (accumulation), an income stream (pension) or a combination of both, provided the payment is allowed under the Superannuation law and the Superannuation Fund Trust Deed.

When an individual is entitled to be paid a benefit, they need to decide what type of payment it is (either a lump sum or a pension or a mixture of both) and the account it will be paid from. There will need to be documentation provided at the time at which the payment is requested, executed by the member, and recorded in the trustee minutes.

Where the member chooses to request a partial commutation to withdraw a lump sum amount whilst continuing to receive a pension, different circumstances apply. Notwithstanding that the member partially commutes a benefit, where it is a one-off payment, there is still an obligation to continue to

pay pension benefits. Partial commutation does not satisfy the payment of the pension for the relevant year.

The taxable and tax-free components of any partial commutation payment must have the same proportions as those determined for the components of the separate interests that supported the pensions when the pensions commenced.

There are additional commutations restrictions if the pension from which the partial commutation is made is a transition to retirement income stream. Failing to consider the commutation restrictions that apply to a transition to retirement income stream pension may result in a breach of the payment standards with income tax consequences.

In Specie Transfer

Sometimes, a member may wish to undertake a partial commutation for purposes of superannuation law by completing an in-specie asset transfer. Clearly this could be done in circumstances where the Trust Deed provides the facility to do so. The transfer of an asset from SMSF to a member in-specie will be considered a disposal, and thus potentially a capital gains tax event with possible tax implications for the Fund.

A full commutation of a pension does not count towards the minimum pension payment. It takes effect as soon as an obligation of the trustee to pay periodic pension payments to a member has been substituted in full with a liability to pay a lump sum instead. The account-based pension therefore ceases at that time.

The liability to pay the lump sum arises as a consequence of the full commutation taking effect. Therefore, the superannuation income stream ceases before the time of the lump sum payment is made to the member.

The payment of a commutation lump sum is made after the cessation of the account-based pension and therefore can't count towards the minimum amount.

In order to meet the minimum annual pension requirements up to the time the pension ceases as a result of the full commutation, the trustee should ensure that the required minimum annual pension amount is being paid as a separate payment prior to the lump sum pension payment being made.

Example 7. Where a partial commutation occurs.

Mary is a member of the XYZ SMSF, and is receiving an account- based pension. The balance of her pension account at 1 July 2020 was $200,000. Mary is normally able to meet her living expenses from the minimum amount required to be paid from her pension account.

On 1 November 2020, Mary advises the trustees of the Fund that she wishes to be paid a lump sum of $50,000. The amount is more than the minimum amount the fund is required to pay her for the year and Mary indicates that she will not require any other payment of the pension for the year.

The partial commutation of $50,000 is paid on 15 November 2020, by the transfer of publicly listed shares to the value of $50,000 from the fund.

This in-specie transfer will not count towards Mary's minimum annual pension amount. The Fund is still required to make the mandatory minimum annual pension amount as a separate payment to ensure that the pension does not cease, and the tax exemption on earning is retained for the year.

Members Transfer Balance Account Report

A member's TBA is an ATO report, and is personal to each member. It does not impact other members of the fund and is not reflected in the fund's financial statements.

The personal TBA report for a member will include any superannuation accounts that the member may have apart from the SMSF (if any).

The members personal TBA records how much super the member has transferred into retirement phase, less any capital amounts moved out of retirement phase.

There are caps on how much a member can transfer into the retirement phase, and the TBAR determines if the member has exceeded the amount that can be transferred.

Where the member exceeds the cap, the ATO will advise the member directly and request they commute an amount out of retirement phase to restore the account to the allowed cap.

Two main events that require the events-based reporting are:

a. A Credit is reported when a pension (in retirement phase) is commenced.

b. A Debit is reported when a member commutes, or partially commute a pension (in retirement phase)

Some other events will also result in credits and debit to be reported, the specifics of each event determine when the events need to be reported.

The following circumstances will result in a credit (transferring funds into retirement phase) in the person's TBA.

a. Retirement phase pensions at 1 July 2017
b. New income streams commenced after 1 July 2017, including both reversionary and non-reversionary. Including the receipt of a reversionary pension
c. When a TRIS enters retirement phase

The following circumstances will result in a debit (an allowance for reductions of the initiating credits) in the person's TBA.

a. Commutations
b. Income streams that
    - Cease to be in retirement phase
    - Failure to comply with the standards, including minimum pension standards
c. Other items including family law payment splits, loss due to fraud

Pension payments and investment income or losses are not commutations and are not transfers and they don't result in debits to a person's TBA.