

Recent super reforms at a glance¹

Concessional contributions

Annual before-tax contributions caps


Now

\$30,000

age 48 or under²

\$35,000

age 49 and over²



From 1 July 2017

\$25,000

for everyone



From 1 July 2018

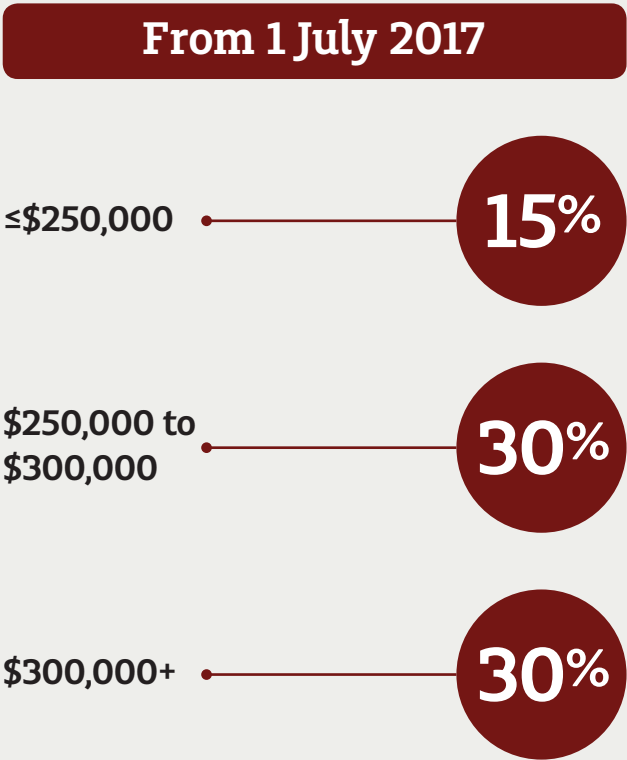
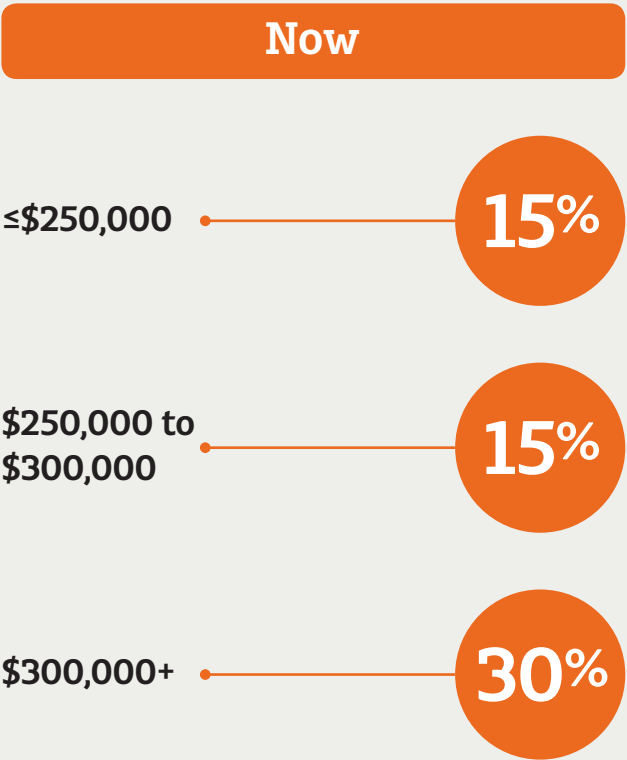
\$25,000

There is an opportunity to contribute more than the annual cap if you haven't fully utilised the cap in previous years and your super balance is \$500,000 or less. Cap amounts unused from 1 July 2018 can be carried forward for up to five consecutive years.

Everyone who is eligible to make personal super contributions will be able to claim a tax deduction for these contributions to eligible super accounts, up to the concessional contribution cap.

Concessional contributions

Tax on concessional contributions made within the cap If your income is³



Non-concessional contributions

Annual after-tax contributions caps

Now

\$180,000 pa

or

\$540,000

over a three year period if
certain conditions are met

From 1 July 2017

\$100,000 pa⁴

or

\$300,000⁴

over a three year period if
certain conditions are met

Transitional rules will apply for contributions made between now and the 2018/19 financial year. These rules are complex and it is recommended that you speak to a financial adviser or call us before making a contribution.

Spouse contributions



Now

Tax offset for spouse contributions only
where recipient income⁵ is less than

\$13,800

From 1 July 2017

Tax offset for spouse contributions only
where recipient income⁵ is less than

\$40,000

Super **pension limits**

(Limit amount transferred to tax-free pension accounts)

Now



From 1 July 2017



lifetime cap applies to everyone



People with existing pensions over \$1.6 million will need to **reduce their total pension balance** to or below this limit by 1 July 2017 to avoid penalties



Any amount exceeding \$1.6 million can be **held in an accumulation account**

Earnings tax in the accumulation accounts



Remains the same
at 15% (10% on capital gains⁶)

Transition to retirement pension

A transition to retirement (TTR) pension allows you to reduce your working hours but not your lifestyle by using TTR pension payments to supplement your income.

Earnings tax rates

Now



From 1 July 2017



**To find out more, please
contact us today.**

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¹ Legislated on 29 November 2016.

² As at 30 June of previous financial year.

³ Income for these purposes is determined according to the Tax Law.

⁴ After-tax contributions cannot be made where super balance exceeds \$1.6m.

⁵ Assessable income plus reportable fringe benefits and reportable employer super contributions.

⁶ Where eligible for the capital gains tax discount.

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