NETT ASSETS
FINANCIAL PLANNING

Recent super reforms at a glance[1]

Concessional contributions

Annual before-tax contributions caps

Now

$30,000

age 48 or under[2]

$35,000

age 49 and over[2]

From 1 July 2017

$25,000

for everyone

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.

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.

Concessional contributions

Tax on concessional contributions made within the cap

If your income is[3]

If your income is	Now	From 1 July 2017
≤$250,000	15%	15%
$250,000 to $300,000	15%	30%
$300,000+	30%	30%

Non-concessional contributions

Annual after-tax contributions caps

Now	From 1 July 2017
$180,000 pa	$100,000 pa[4]
or	or
$540,000 over a three year period if certain conditions are met	$300,000[4] 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.

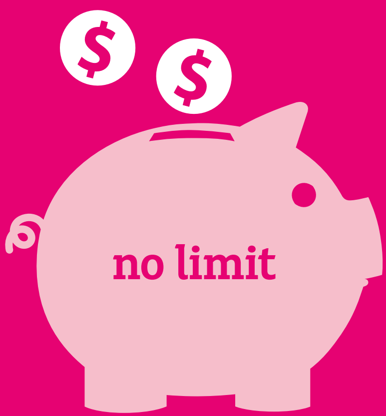
Spouse contributions

Now	From 1 July 2017
Tax offset for spouse contributions only where recipient income[5] is less than $13,800	Tax offset for spouse contributions only where recipient income[5] is less than $40,000

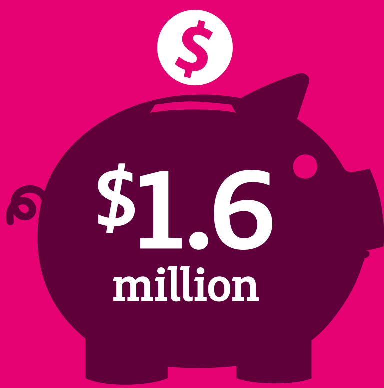
Super **pension limits**

(Limit amount transferred to tax-free pension accounts)

Now



From 1 July 2017

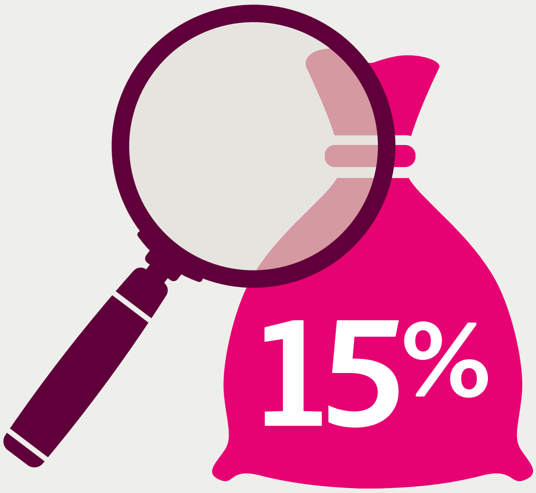


lifetime cap applies to everyone

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 gains[6])

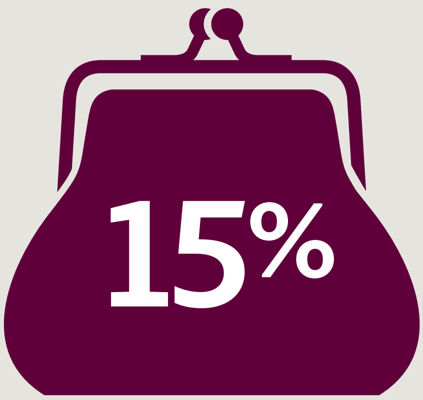
Transition to retirement pension

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.