

Super Co-Contribution

When does it start?

The Super Co-contribution started on 1 July 2003 and replaces the tax offset for personal super contributions.

What are the thresholds?

The way your Super Co-contribution is determined will depend on the year in which you made your personal super contributions.

	Lower Threshold	Higher Threshold	What will I receive?	What is my maximum entitlement?
July 1 2003 to 30 June 2004	\$27,500	\$40,000	\$1 for every \$1 up to a maximum Super Co-contribution of \$1,000 a year	An amount reduced by 8c for every dollar of income over \$27,500
July 1 2004 to 30 June 2007	\$28,000	\$58,000	\$1.50 for every \$1 up to a maximum Super Co-Contribution of \$1,500 a year	An amount reduced by 5c for every dollar of income over \$28,000
From 1 July 2007	Amounts will be Indexed Upwards			

My income is less than the threshold now, what happens if I earn more than that?

To be eligible for the Super Co-contribution, your income needs to be less than the higher threshold for the relevant income year. For each year that your income is less than the higher threshold, you meet the eligibility requirements and make personal super contributions; you will receive the Super Co-contribution.

You won't be eligible for the Super Co-contribution for any particular year where your income exceeds the higher threshold for the income year.

Do I need to apply for the Super Co-contribution?

You do not need to apply for the Super Co-contribution. If you are otherwise eligible, all you need to do is make personal super contributions to your superannuation fund or Retirement Savings Account (RSA) and lodge an income tax return.

The Tax Office will use the information on your income tax return and contribution information from your superannuation fund or RSA to work out whether you are eligible. If you are, we will automatically calculate the Super Co-contribution amount and deposit it into your super account.

When will my Super Co-contribution be paid?

Your Super Co-contribution will be calculated after you have lodged your tax return and we have received contribution information from your superannuation fund. Most superannuation funds are required to report us by 31 October following the end of the financial year.

- Taxation Advice
- Small Business Advice & Setup
- Bookkeeping Services using MYOB/Quicken
- Home Loans
- Financial Planning
- Cash Flows
- GST Planning
- Insurance



Super Co-Contribution(...cont)

As long as you make personal super contributions and meet the eligibility requirements, the Super Co-contribution will be paid into your superannuation account each year.

What is "personal super"?

Personal super contributions are the amount you choose to contribute to your superannuation fund from your after tax income. This is in addition to any employer contributions and any contributions made through a salary sacrifice arrangement.

How do I make a personal contribution to my super fund?

Your super fund will be able to tell you how to best make personal contributions. Most funds offer different options for making contributions including BPAY, direct debit, or through your bank account. In some cases, you may be able to deposit a certain amount into your super account directly from your pay - talk to your employer or paymaster.

Can I make personal super contributions into the same fund as my employer contributions?

You should check with your current super fund to make sure they accept personal contributions.

How will I know that I have received the Super Co-contribution?

The Tax Office will send you a letter with details about your Super Co-contribution amount after it has been deposited into your super account. Unless you nominate a particular superannuation fund account to us, your Super Co-contribution will usually be paid into the fund where you make your personal super contributions.

Can I get the Super Co-contribution next year as well?

Yes. For each year that you are eligible, make personal super contributions and lodge a tax return, the Government will make a Super Co-contribution to your super account.

Can the Super Co-contribution be paid into my bank account?

No. The Super Co-contribution will be paid into your super account. The preservation rules that apply to your current super entitlements also apply to the Super Co-contribution.

How will the Super Co-contribution be taxed?

The Super Co-contribution will be treated as an undeducted contribution for taxation purposes and will not be subject to any taxation when paid into your account. The amount will not be taxed as an end benefit and will not count towards your Reasonable Benefit Limit.

How is my income assessed?

To be eligible to receive the Super Co-contribution your total income needs to be need less than the threshold in any income year. Your total income is equal to your assessable income plus your reportable fringe benefits.

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