Boosting your super.

Why rely solely on your employer to grow your super savings? Here's what you need to know about giving your super a boost with extra contributions (and maybe reduce your tax bill while you're at it).

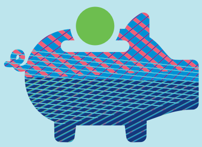
HOW SUPER WORKS

Generally, your employer is required to pay the equivalent of 9.5% of your salary into super (some employers may pay more). This is the current super guarantee (SG) rate and it's subject to change. You can always find the latest rate on our website, and you can check your transaction history in MemberOnline.

You can find more information on the SG and check if you're eligible by visiting the Australian Tax Office website at **ato.gov.au**

EVERY LITTLE BIT COUNTS

Relying on the SG alone might not be enough to create the lifestyle you want when you finish work. Making additional contributions now can make a big difference later on. We have strategies to ensure your super doesn't come up short. Visit **caresuper.com.au/growyoursuper** to find out how to keep your super on track.



WAYS TO BOOST YOUR SUPER

There's two types of contributions that you can make:

1. Concessional (before-tax) contributions, and
2. Non-concessional (after-tax) contributions

When making additional contributions, it's important that you make the right choice depending on your situation. If you need help with deciding which contribution is right for you, visit **caresuper.com.au/advice**.

1 CONCESSIONAL CONTRIBUTIONS

Concessional (before-tax) contributions are paid into your super before your marginal income tax rate is applied. There is a 15% contributions tax paid on money going in to super, but this is lower than most people's marginal tax rate. This can make it a tax-effective savings option.

Before-tax contribution options can include:

- SG contributions
- Salary sacrifice contributions
- Personal deductible contributions

SALARY SACRIFICE

Salary sacrifice is when you make the choice to regularly 'sacrifice' part of your salary and pay it into your super account. This can help to increase your super balance and reduce your overall taxable income. Speak to your employer to find out if you're eligible.

GETTING STARTED

If salary sacrificing is an option for you, you'll need to make the request in writing. Your employer will usually supply a form. You can cancel a salary sacrificing arrangement at any time.

It's important to note that these contributions do count as employer contributions, so they'll be counted as income for Government programs or welfare benefits (if applicable).

2 NON-CONCESSIONAL CONTRIBUTIONS

Non-concessional (after-tax) contributions are generally made from your take-home pay – e.g. the money in your bank account. Because they've already been taxed at your marginal tax rate, you won't pay any additional tax when you pay them into your super account.

After-tax contributions can include

- Any personal contributions that you make from your take home pay
- Spouse contributions

PERSONAL CONTRIBUTIONS

How you do make a personal super contribution? Well, you're spoilt for choice:

- BPAY®
- Direct debit
- Payroll deductions
- Cheque

You may be able to claim a tax deduction on personal contributions. To find out more, visit **caresuper.com.au/growyoursuper**

SPOUSE CONTRIBUTIONS

The super system offers a few ways for couples to build for the future together. If one partner earns more than the other, or if one has taken some time away from the workforce, spouse contributions can help to boost the savings.

If eligible, you may also be able to claim a tax offset if your spouse is earning less than $37,000. More information can be found at **caresuper.com.au/growyoursuper**

OTHER WAYS TO BOOST YOUR SUPER

The Government has a co-contribution scheme to help lower-income earners to save for the future. If you earn less than $52,697 (2018/2019 financial year) or $53,564 (2019/2020 financial year) and make a personal contribution to your account, you may be eligible for a co-contribution of up to $500.

You might be eligible for a super co-contribution if:

- Your total income is less than $52,697.
- 10% of your income comes from employment or business-related activities.
- You had a total super balance of less than $1.6 million (as at 30 June of the previous financial year).

And during the financial year, you:

- Were under 71 years of age
- Didn't hold a temporary visa
- Didn't exceed your non-concessional contributions cap
- Lodged your tax return.

If you meet the criteria, the Government will pay the co-contribution automatically once you've made your contributions – you don't need to do a thing.

CLAIMING A TAX DEDUCTION ON PERSONAL CONTRIBUTIONS

If you want to claim a tax deduction, you'll need to tell us of your intent to claim, and your claim needs to be made before one of the following:

- The day you lodge your return for the year that you made the personal contributions in
- The end of the financial year following the one that you made the personal contributions in.

Disclaimer: The advice in this document is of a general nature. We have not taken into account your particular financial needs, circumstances and objectives. We recommend you assess your own financial situation, seek professional advice from a licensed financial adviser and read the Product Disclosure Statement before deciding to make any decisions related to your super. While every care has been taken as to the accuracy of this information, CareSuper takes no liability for the correctness of this information. CareSuper is not responsible for any loss, direct or indirect, resulting from reliance of the information contained in this document Past performance is not a reliable indicator of future performance and you should consider other factors before choosing a fund or changing your investments.

CONTRIBUTIONS CAPS AND HOW THEY COULD AFFECT YOU

There is such a thing as too much of a good thing. Overdo it with your contributions and you might find yourself with unwanted tax bills.

There are different caps for before and after-tax contributions:

Contribution caps 2019/2020

Concessional (before-tax) cap	$25,000
Non-concessional (after-tax) cap	$100,00

You can make concessional (before-tax) contributions to your super of up to $25,000 each financial year, if you're under 65. Employer contributions, including salary sacrifice and any personal contributions you claim as a tax deduction, are all included in this cap. If you're aged between 65 and 74, you can make additional contributions providing you meet the work test requirements. Visit **caresuper.com.au** for more information.

The cap for non-concessional (after-tax) contributions is $100,000 per financial year. These super contributions could be regular payments made throughout the year or ad hoc, up to $100,000. For example, you might contribute money from an asset sale, inheritance or some of your savings.

From 1 July 2018 you may be able to carry over any unused portion of your concessional cap using the 'bring-forward' rule, visit **ato.gov.au** for more information.

WHAT TO DO IF YOU'VE EXCEEDED THE CAP

You must lodge a tax return for that financial year and you might have to pay extra tax. Amounts over the **concessional cap** will be included in your assessable income and taxed at your marginal rate. An excess contributions charge will also be applied. Amounts over the **non-concessional cap** will be taxed at 49%, but you may be able to withdraw the additional amounts and only pay tax on the associated earnings.

1300 360 149 **caresuper.com.au** **caresuper.com.au/getintouch**