

## **WOULD YOU LIKE TO BOOST YOUR SUPER?**

### **UTILISE THE SUPER CO-CONTRIBUTION SCHEME (BEFORE 30<sup>TH</sup> JUNE 2011)**

Since 1<sup>st</sup> July 2003, the Australian Government have been providing low to middle income earners with the opportunity to obtain assistance in growing their superannuation savings, via way of the government co-contribution scheme.

This scheme means that eligible taxpayers making a personal superannuation contribution to their superannuation fund will be eligible to receive a matching contribution from the Australian Government, up to a maximum of \$1,000.

#### **Are you eligible?**

If your income is below \$31,920 and you make personal contributions to your superannuation fund before the end of June, for each dollar you contribute the government will match your contribution up to a maximum of \$1,000.

If your income is between \$31,921 and \$61,920 (including fringe benefits), you will still be eligible to receive a co-contribution, however the government will reduce the \$1,000 payment by \$0.03333 cents for every dollar your income exceeds \$31,920. Please see the schedule over the page for a table that sets out how much the government will contribute on your behalf depending on your income and contribution levels.

In additional you will also need to meet certain other requirements to be eligible. Broadly, you need to:

- 10% or more of your income is from eligible employment (generally anything resulting in you being treated as an employee);
- Lodge an income tax return for the year of income;
- Be under 71 years of age as at 30<sup>th</sup> June 2011 and;
- Be a permanent resident of Australia.

#### **What is a personal contribution?**

Personal contributions are super contributions that you have made but not claimed a tax deduction for.

Please note that contributions made by your employer and any contributions made via a salary sacrifice arrangement are not considered personal contributions. Contributions withheld from your net (after-tax) salary at your request however, will qualify.

*\*\* Where you are personally paying life insurance premiums, these may enable you to qualify for the co-contribution if your insurance is paid via a superannuation entity. For further details, please don't hesitate to contact Tracey at our office \*\**

#### **How do I receive the co-contribution?**

Please note that should you become eligible for a co-contribution, this payment will be made directly to your superannuation fund to assist in the growth of your retirement benefits.

**Your contribution must be made by 30<sup>th</sup> June 2011 so contact your super fund urgently to find out how to best make your contribution.**

How much would I be entitled to receive?

<b>Government Superannuation Co-contributions</b>				
<b>For the year ended 30th June 2011</b>				
If your personal super contribution is:				
	\$1,000	\$800	\$500	\$200
And your income is:	Your super co-contribution will be:			
\$31,920 or less	\$1,000	\$800	\$500	\$200
\$34,921	\$900	\$800	\$500	\$200
\$37,921	\$800	\$800	\$500	\$200
\$40,921	\$700	\$700	\$500	\$200
\$43,922	\$600	\$600	\$500	\$200
\$46,922	\$500	\$500	\$500	\$200
\$49,922	\$400	\$400	\$400	\$200
\$52,922	\$300	\$300	\$300	\$200
\$55,923	\$200	\$200	\$200	\$200
\$58,923	\$100	\$100	\$100	\$100
\$61,920	\$0	\$0	\$0	\$0