AustralianSuper

Add to your super and retire with more

Adding a little extra to your super can be a great way to boost your super savings for retirement.

Why add to your super?

Paying extra into your super could save you tax and help you retire with more. Contributing small amounts over time is often easier than finding a spare 'lump sum' of money. This way your super could grow with investment returns.

You can add to super in two ways:

- **Before-tax:** including Superannuation Guarantee (SG), before-tax employee (salary sacrifice), extra employer and tax-deductible personal contributions. These are also called 'concessional' contributions.
- **After-tax:** including spouse contributions, after-tax employee and non-deductible personal contributions. These are also called 'non-concessional' contributions and are made from your after-tax, take-home pay.

Bonus government co-contribution

Depending on how much you earn, and if you make after-tax contributions to your super account, the government also makes a contribution (called a co-contribution) up to a maximum amount of $500. The co-contribution is tax free and isn't taxed when it's deposited into, or withdrawn, from your super account.

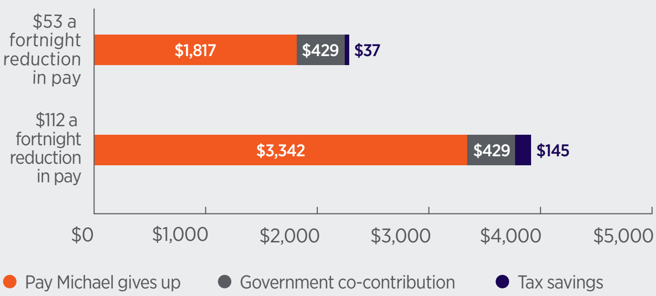
For example, if you earn $42,016 or less for the 2022/23 financial year, you could receive the full $500 bonus if you add $1,000 or more to your super from your take-home pay. If you earn between $42,016 and $57,016, you'll still get a government co-contribution, but not the full amount. Find out if you qualify at **australiansuper.com/CoContribution**

What's the best way to add to your super?

This depends on your income and the tax you pay. Let's look at the examples of Michael and Maria:

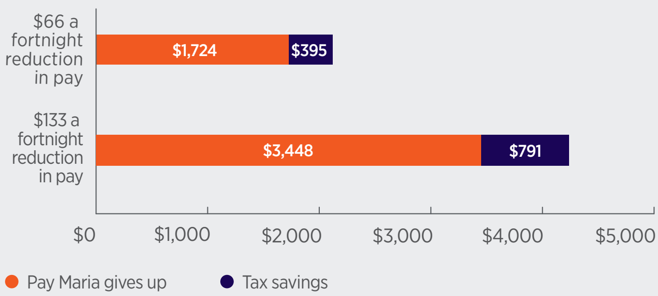
Michael adds to super, saves tax and gets a bonus government co-contribution

Michael age 30		
Yearly salary	$40,000	$40,000
Salary sacrifice (before tax) contribution	$624	$2,418
After-tax super contribution	$858	$858
Government co-contribution	$429	$429
Tax saving	$37	$145
Total extra in super pa	**$1,817**	**$3,342**



Maria makes salary sacrifice (before-tax) contributions

Maria age 50		
Yearly salary	$65,000	$65,000
Salary sacrifice (before tax) contribution	$2,028	$4,056
After-tax super contribution	-	-
Government co-contribution	-	-
Tax saving	$395	$791
Total extra in super pa	**$1,724**	**$3,448**



These case studies are provided for illustration purposes only and are not a representation of the actual benefits received or fees and costs that may be incurred. Key assumptions: Contributions tax 15%, SG 10.5% (for financial year 2022/23), individual tax rate 32.5% (plus the Medicare levy, excluding the low income tax offset or low and middle income tax offset if applicable). Total contributions to super include any applicable government co-contribution. Results have been rounded to the nearest $1.

What are the contribution limits and what tax do you pay?

The government limits the amounts you can contribute to super. If you go over the limits, you may pay extra tax.

Type of contribution	Tax rate	Details
Before-tax (concessional), earning less than $250,000 a year These are mainly employer contributions, salary sacrifice contributions and personal contributions claimed as a tax deduction.	15%	A $27,500 limit applies to contributions made from your before-tax income. Your before-tax contributions are taxed at 15% if you earn less than $250,000 a year. Any amounts over the $27,500 limit will be taxed at your marginal tax rate,* less a non-refundable tax offset of 15% (because you have already paid tax on this money). You can choose to withdraw up to 85% of excess contributions, which won't count towards your after-tax limit. Any excess before-tax contributions not released count towards your after-tax contributions cap.
Before-tax (concessional), earning more than $250,000 a year These are mainly employer contributions, salary sacrifice contributions and personal contributions claimed as a tax deduction.	30%	A $27,500 limit applies to contributions made from your before-tax income. If your adjusted taxable income (including your before-tax contributions) is more than $250,000 pa, your before-tax contributions will be taxed at 30%, to that extent. Any amounts over the $27,500 limit will be taxed at your marginal tax rate,* less a non-refundable tax offset of 15% (because you have already paid tax on this money). You can choose to withdraw up to 85% of excess contributions, which won't count towards your after-tax limit. Any excess before-tax contributions not released count towards your after-tax contributions cap.
After-tax (non-concessional) These are typically extra, voluntary contributions you make from after-tax money, including spouse contributions. You must give us your Tax File Number before we can accept after-tax contributions.	No tax payable	If your total super balance is less than $1.7m, you can generally make after-tax contributions. A $110,000† limit applies to contributions made from after-tax sources (or, if you are aged under 75 at any time during the financial year and trigger the bring forward provisions, you can contribute up to $330,000 over 3 years – see table on the next page. The period is automatically triggered in the first year that you add more than $110,000† after-tax to your super). No tax is payable on amounts up to this limit. Any amounts over this limit will be taxed at 47%,‡ unless you ask your fund to release the amounts over the limit. The associated earnings withdrawn are taxed at your marginal tax rate.* You will also be entitled to a 15% non-refundable tax offset of the associated earnings included in your assessable income. If you choose not to withdraw your excess after-tax contributions, they will remain in your super account and the excess will be taxed at 47%.‡
Government co-contribution	No tax payable	To be eligible for a government co-contribution, you need to add to your super after-tax and earn less than $57,016§ for the financial year of 2022/23. The co-contribution itself is not taxable either when it goes into your super, or when you withdraw your super. Further eligibility criteria apply. For more information see the Add to your super with government co-contributions fact sheet at **australiansuper.com/FactSheets**

* Plus Medicare levy.

† Between 1 July 2021 and 30 June 2030, you can re-contribute amounts withdrawn under a COVID-19 early release. These amounts won't count towards your non-concessional contributions cap, but you can only re-contribute up to the amount withdrawn and you cannot claim a tax deduction for re-contributed amounts.

‡ Includes Medicare levy.

§ You should consider your debt levels before adding to your super.

From 1 July 2022 if you're between 67 and 74 years old you'll be able to make or get non-concessional or salary sacrifice superannuation contributions (subject to existing contribution caps) without meeting the work test, unless you're looking to access concessional personal deductible contributions.

You will still need to meet the work test or work test exemption if you wish to claim a concessional personal contribution deduction.

To meet the Work Test, you need to be aged between 67 and 74 and have worked at least 40 hours in 30 consecutive days during the financial year in which you contribute extra to super.

Once you reach age 75, you can't add to your super yourself, although you may still receive employer contributions and Award payments if you're eligible.

To be eligible for a Work Test Exemption you need to be aged between 67 and 74 and have:

- met the Work Test last financial year, but not in the current financial year;
- had a total superannuation balance of less than $300,000 at the end of the last financial year;
- not used the Work Test Exemption to make contributions in a previous year.

Additional tax and super considerations

There are other circumstances that can affect how much you can contribute and the amount of tax you pay on your super, including spouse contributions offsets and downsizer contribution measures for members 60 years of age and over from 1 July 2022. For eligibility criteria visit **ato.gov.au/super**

Find the best way to add to your super
Use our projections calculator at **australiansuper.com/calculators**

Non-concessional contributions bring-forward period*

Total superannuation balance on 30 June of the previous year	Non-concessional contributions cap for the first year	Bring-forward period
Less than $1.48 million	$330,000	3 years
$1.48 million to less than $1.59 million	$220,000	2 years
$1.59 million to less than $1.7 million	$110,000	No bring forward period, general non-concessional contributions cap applies
$1.7 million or more	Nil	n/a

* You must be under 75 years during the financial year you first contribute more than $110,000.

Catch up on concessional contributions

From 1 July 2019 you can carry forward any unused portion of the concessional contributions cap for up to five previous financial years, if your total superannuation balance is less than $500,000 on 30 June of the previous financial year (this includes your AustralianSuper account and other super accounts held in your name). Unused concessional contribution cap amounts starting from the 2018/19 financial year may be carried forward in this manner. For example, if your concessional contributions in the 2021/22 financial year totalled $15,000, you can carry an additional $12,500 over to the 2022/23 financial year which means you can contribute up to $40,000† under the concessional contribution cap in the 2022/23 financial year.

Low income super tax offset

If you're eligible and earn $37,000 or less, the government will refund 15% of your total before-tax contributions made by you or your employer, up to a maximum of $500 pa.

If you're eligible, the amount will automatically be calculated by the ATO and deposited into your super account each year.

Over 60?
If you're over 60, a Transition to Retirement strategy could help you save on tax and boost your super. Find out more at **australiansuper.com/ttr**

How to add to your super

1. BPAY® or direct debit

Log into your online account at **australiansuper.com** and follow the steps. You'll need to use your phone or internet banking service using the BPAY Biller code: 58602 and your customer reference number, which you'll find in your account when you log in.

2. Through your employer

Speak with your employer about setting up a salary sacrifice arrangement. Then log into your account at **australiansuper.com** and complete an online application.

3. Cheque/money order by mail

Download and complete an *Add to your super with after-tax contributions* form available from **australiansuper.com/forms** and send it with your payment to:

AustralianSuper
GPO Box 1901
MELBOURNE VIC 3001

† This is the combined total of the concessional contributions cap amount for 2022/23 financial year of $27,500, plus $12,500 which is the total available unused carry-forward cap amount from the previous financial year.
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Remember to tell us your Tax File Number
If you don't tell us your Tax File Number, you'll pay 47% tax on your before-tax contributions (this includes the Medicare Levy) and we can't accept after-tax contributions from you.
Log into your account at **australiansuper.com/login**

Contact us

Call **1300 300 273**
(8am to 8pm AEST/AEDT weekdays)

Web **australiansuper.com**

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Email or message us For details on how to message or email us, visit **australiansuper.com/contact-us**