

CONTRIBUTIONS

CONCESSIONAL CONTRIBUTIONS CAP

Concessional contributions include:

- employer contributions (including contributions made under a salary sacrifice arrangement)
- personal contributions claimed as a tax deduction by a self-employed person.

Income Year	Age	Amount of cap
2021-22	All Ages	\$27,500

UNUSED CONCESSIONAL CAP CARRY FORWARD

From 1 July 2018 if you have a total superannuation balance of less than \$500,000 on 30 June of the previous financial year, you may be entitled to contribute more than the general concessional contributions cap and make additional concessional contributions for any unused amounts.

The first year you will be entitled to carry forward unused amounts is the 2019-20 financial year. Unused amounts are available for a maximum of five years, and after this period will expire.

	2019-20	2020-21	2021-22
General contributions cap	\$25k	\$25k	\$27.5k
Total unused available cap	\$22k	\$44k	\$69k
Maximum cap	\$47k	\$25k	\$96.5K
Superannuation balance prior year	\$490k	\$505k	\$490K
Concessional	\$3k	Nil	Nil
Unused concessional cap	\$22k	\$25k	\$27.5k

Note: This table assumes no indexing of general cap.

GENERAL CONCESSIONAL CONTRIBUTIONS CAP

From 1 July 2021 the general concessional contributions cap is \$27,500

EXCESS CONCESSIONAL CONTRIBUTION CHARGE

The excess concessional contributions (ECC) charge is applied to the additional income tax liability arising as a result of having excess concessional contributions included in your income tax return.

NON-CONCESSIONAL CONTRIBUTIONS CAP

Non-concessional contributions include personal contributions for which you do not claim an income tax deduction.

Income Year	Amount of cap	Tax on Excess
2021-22	\$110,000	47%

Aged under 67 at 1 July 2021 may 'bring forward' three years of contributions

Aged over 67 at 1 July 2021 is restricted to the annual limit.

Post 1 July 2017, taxpayers with a total super balance over \$1.7 million will not be able to make NCCs.

Taxpayers who are approaching a balance of \$1.7 million will have their ability to use the bring forward rule reduced.

Superannuation Balance	Contribution and bring forward available
Less than \$1.48 million	3 years (\$330,000)
\$1.48 - <\$1.59 million	2 years (\$220,000)
\$1.59 - <\$1.7 million	1 years (\$110,000)
\$1.7 million	Nil

CGT CAP AMOUNT

Under the CGT cap, you can during your lifetime exclude non-concessional super contributions from the non-concessional contributions cap up to the CGT cap amount.

Income Year	Amount of cap
2021-22	\$1,615,000

DIVISION 293 TAX

From 1 July 2012, Division 293 tax will be applied to certain super contributions to reduce the concessional tax treatment of those contributions made for very high income individuals.

Income Year	The High Income threshold	Contribution Tax
2021-22	\$250,000.	15%

SUPER GUARANTEE

The super guarantee requires employers to provide sufficient super support for their employees.

Period	Super Guarantee Rate (charge %)
1 July 2021 – 30 June 2022	10.0%
1 July 2022 – 30 June 2023	10.5%
1 July 2023 - 30 June 2024	11.0%

MAXIMUM SUPER CONTRIBUTION BASE

The maximum super contribution base is used to determine the maximum limit on any individual employee's earnings base.

Income Year	Per Quarter
2021-22	\$58,920

SUPER CO-CONTRIBUTIONS

If you are eligible, the government will match your personal contribution with a super co-contribution up to certain limits.

CO-CONTRIBUTION INCOME THRESHOLDS

Year	Maximum entitlement	Lower income threshold	Higher income threshold
2021-22	\$500	\$41,112	\$56,112

LOW INCOME SUPER TAX OFFSET

Low income earners under the threshold may be eligible to receive a of the tax paid on eligible concessional superannuation contributions.

LOW INCOME SUPER TAX OFFSET THRESHOLDS

Year	Maximum entitlement	Higher income threshold
2021-22	\$500	\$37,000

TRANSFER BALANCE CAP

GENERAL TRANSFER BALANCE CAP

Year	General Transfer Balance Cap
2021-22	\$1,700,000

All members receiving a pension on 1 July 2017 had a transfer balance cap of \$1.6 million created at that time.

The cap operates on the basis of "credits" counting to the cap and "debits" removing value from the cap.

Credits	Debits
The value of super interest supporting income streams on 30 June 2017	Commutations of superannuation income streams
Commencement of new superannuation income streams from 1 July 2017 onwards	Structured settlement payment contributed to superannuation
The value of reversionary income streams when an individual becomes entitled to them	Certain payments arising from family law splits, fraudulent or void transaction
Notional earnings accruing to excess transfer balance amounts	

EXCESS TRANSFER BALANCE TAX

Excess amounts above \$1.7m must be commuted and notional earnings" charged at the 90 day bank accepted bill rate plus 7%. An excess transfer balance tax of 15% applies to the notional earnings

PAYMENTS FROM SUPER

PRESERVATION AGE

Generally, you must reach preservation age before you can access your super. Use the following table to work out your preservation age.

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 - 30 June 1961	56
1 July 1961 - 30 June 1962	57
1 July 1962 - 30 June 1963	58
1 July 1963 - 30 June 1964	59
From 1 July 1964	60

CONDITION OF RELEASE

Reach preservation age and retire	Temporary or permanent disability
Cease employment (> 60 yrs)	Depart Australia permanently
Aged over 65 years	Financial hardship or compassionate grounds
Transition to Retirement Pension over preservation age	Cease employment & account balance < \$200
Death	Terminal medical condition

INCOME STREAMS

MINIMUM ANNUAL PAYMENTS FOR SUPER INCOME STREAMS

A minimum amount is required to be paid each year. Transition to retirement pensions have a maximum of 10% of the account balance.

COVID-19 The Government has reduced the minimum annual payment by 50% in the 2020-21 and the 2021-22 financial years.

The 50% reduction applies to the calculated minimum annual payment.

Age	Covid Minimum % Withdrawal
Under 65	2%
65-74	2.5%
75-79	3%
80-84	3.5%
85-89	4.5%
90-94	5.5%
95 or more	7%

SUPER INCOME STREAM TAX TABLES

ELEMENT TAXED IN THE FUND OF A SUPER INCOME STREAM

Age	Taxed Source	Untaxed Source
Age 60 or above	Not assessable, not exempt income	Taxed at marginal rates, with a 10% tax offset
At or above preservation age and under 60	Taxed at marginal tax rates Tax offset of 15% is available	Taxed at marginal rates, with no tax offset
Under preservation age	Taxed at marginal tax rates. Tax offset of 15% is available if a disability super benefit	Taxed at marginal rates, with no tax offset

The tax-free component is not included. This component is not assessable and not exempt income in all cases.

ANNUITIES AND LIFE EXPECTANCY FACTORS

Refer: www.aqa.gov.au/publications/#life_tables

LOW RATE CAP

LOW RATE CAP AMOUNT

The low rate threshold for super lump sum payments is capped & reduced by any amount previously applied to the threshold.

Income Year	Amount of Cap
2021-22	\$225,000

UNTAXED PLAN CAP AMOUNT

The untaxed plan cap amount limits the concessional tax treatment of benefits that have not been subject to contributions tax in a super fund

Income Year	Amount of Cap
2021-22	\$1,615,000

LUMP SUM SUPERANNUATION BENEFITS TAX RATES

LUMP SUM PAYMENTS

Age	Amount Subject to Tax	Tax %
Taxed Element		
Under preservation age	Whole amount	20%
At or above preservation age and under 60	up to the low rate cap amount	Nil
	above the low rate cap amount	15%
Aged 60 or above	Nil - non-assessable and non-exempt income	N/A
Untaxed Element		
Under preservation age	up to untaxed plan cap amount	30%
	above untaxed plan cap amount	45%
At or above preservation age and under 60	up to the low rate cap amount	15%
	above the low rate cap amount and up to the untaxed plan cap	30%
Aged 60 or above	above the untaxed plan cap	45%
	up to the untaxed plan cap	15%
	above the untaxed plan cap	45%

DEATH BENEFIT

Income Component	Age	Amount Subject to Tax	Tax %
To Non Dependents			
taxable component - taxed element	Any	Whole amount	15%
taxable component - untaxed element	Any	Whole amount	30%
To Dependents			
taxable component - taxed and untaxed elements	Any	None	Nil

OTHER BENEFITS

Income Component	Age	Amount Subject to Tax	Tax %
Rollover - taxable component - taxed element	Any	Nil - non-assessable and non-exempt income	N/A
Rollover - taxable component - untaxed element	Any	Non assessable up to the untaxed plan cap	N/A
		above the untaxed plan cap	45%
lump sum < \$200	Any	None	Nil
lump sum benefit (terminally ill)	Any	None	Nil

Source <https://www.ato.gov.au/Rates/Key-superannuation-rates-and-thresholds/>

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