Australian Government
Australian Taxation Office

Super

- https://www.ato.gov.au/Individuals/Super/
- Last modified: 28 Nov 2018
- QC 23212

Your super is your future. Super, or superannuation, is money set aside during your working life for when you retire. For most people, super begins when you start work and your employer starts paying a portion of your salary or wages into a super fund for you. These payments are known as super guarantee contributions or concessional (pre-tax) contributions.

Super (including super guarantee from your employer), is your money.

Super funds invest your money in many things, such as shares, property and managed funds. They may also offer different types of insurance, such as income protection.

We can help you understand super and work out what you are entitled to. There is also help with growing and keeping track of your super and information on when and how you can access it.

Find out about:

- Getting your super started
- Growing your super
- Withdrawing and using your super
- Temporary residents and super

Check your super

Watch:

Media: How to create a myGov account and link to the ATO
http://tv.ato.gov.au/ato-tv/media?v=bd1bdiubfo8e4m (Duration: 03:56)

Getting your super started

- https://www.ato.gov.au/Individuals/Super/Getting-your-super-started/
- Last modified: 28 Nov 2018
- QC 44985

There are some things in life that can be done at the last minute. Growing enough super is not one of them so start early and grow the super you deserve. Start early and actively manage your super across your working life.

For most people, super begins when you start work and your employer starts paying super for you.

If you're a contractor or a temporary resident and are working in Australia, you may also be entitled to super.

If you're self-employed, you can choose whether to contribute super for yourself.

You should provide your tax file number (TFN) to your employer and/or super fund. If you don't, your super fund may take extra tax out of your super contributions and will not be able to accept any non-employer contributions.

You can choose between a super fund that manages your super for you or you can set up your own self-managed super fund (SMSF).

Super funds invest your money in many things, such as shares, property and managed funds. They may also offer different types of insurance, such as income protection.

Check your super

Watch:

Find out about:

- Employees
- Contractors
- Self-employed

See also:

- Growing your super
- Withdrawing and using your super
- Temporary residents and super

Employees

- https://www.ato.gov.au/Individuals/Super/Getting-your-super-started/Employees/
- Last modified: 06 Aug 2019
- QC 50360

If you’re an employee, you are typically entitled to compulsory superannuation (super) contributions from your employer. From 1 July 2014, these super guarantee contributions must be at least 9.5% of your ordinary earnings, up to the ‘maximum contribution base’.

Generally, you’re entitled to super guarantee contributions from an employer if you’re both:

- 18 years old or over
- paid $450 or more (before tax) in a month.

It doesn’t matter whether you’re full time, part time or casual, or if you’re a temporary resident of Australia.

If you’re under 18 years old, you must meet the above conditions and work more than 30 hours per week to be entitled to super contributions.

Your employer is not required to make super contributions if you’re:

- paid to do work of a private or domestic nature for 30 hours or less each week
- a non-Australian resident and you’re paid to do work outside Australia
- an Australian resident paid by a non-resident employer for work done outside Australia
- a senior foreign executive on a certain class of visa
- temporarily working in Australia for an overseas employer and are covered by the super provisions of a bilateral social security agreement.

To work out if you’re eligible for super guarantee contributions use:

- Am I entitled to super tool
- Maximum contributions base – table

Choosing a super fund

Most people can choose the super fund they want their employer contributions paid into. You may also be able to choose how your savings are invested. Some fund investment strategies offer higher returns with higher risks, while others offer greater security for your money but with lower returns.

If you’re eligible to choose a fund you can do so using the Superannuation standard choice form. Your employer may give you the form when you start employment, by:

- requesting you complete it using ATO online services

- giving you a pre-filled form (paper or PDF)
- downloading the form from our website.

If you don't choose a super fund, your employer will choose one for you.

You're generally eligible to choose a super fund for your super guarantee contributions if:

- your super is paid under a federal award or a former state award
- you're employed under another award or agreement that doesn't require super support
- you're not employed under any award or industrial agreement (including contractors paid principally for their labour).

You're not eligible to choose the super fund you want your super guarantee contributions paid into if:

- your super is paid under a state award or industrial agreement
- your super is paid under certain workplace agreements, including some Australian workplace agreements (AWA)
- you're a federal or state public sector employee, excluded from super choice by law or regulations
- you're in a particular type of defined benefit fund or have already reached a certain level of benefit in that super fund.

See also:

- Superannuation (super) standard choice form
- Fair Work Ombudsman for more information about awards and agreements.

Types of funds

There are five basic types of funds:

- Industry funds
  - sometimes open to everyone
  - you can join if you work in a particular industry or under a particular industrial award and your employer signs up with the fund.
- Retail funds
  - run by financial institutions
  - open to everyone.
- Public sector funds
  - generally open to Commonwealth, state and territory government employees
  - public sector employers may offer defined benefit funds and constitutionally protected funds (CPFs) to their members.
- Corporate funds
  - generally only open to people working for a particular employer or corporation
  - may offer defined benefit funds to their members.
- Self-managed super funds (SMSFs)

    - work like any other super fund, but the responsibility of managing them, (including their investment decisions and legal responsibilities) rests solely with the trustee (you)
    - establishing and operating an SMSF is a major financial decision and you should first discuss your personal circumstances with a qualified professional.

See also:

- Defined benefits funds
- Constitutionally protected funds
- Growing your super
- Choosing a super fund on ASIC's MoneySmart website

Watch:

Duration 1.17. A transcript of Too many super accounts is also available.

Contractors

- https://www.ato.gov.au/Individuals/Super/Getting-your-super-started/Contractors/
- Last modified: 28 Nov 2018
- QC 23215

If you're a contractor, you may still be entitled to super from your employer.

If you're a contractor paid wholly or principally for your labour, you're considered an employee for super purposes and entitled to super guarantee contributions under the same rules as employees.

A contract may be considered 'wholly or principally for labour' if:

- you're paid wholly or principally for your personal labour and skills
- you perform the contract work personally
- you're paid for hours worked, rather than to achieve a result.

For super to apply, the contract must be directly between you and your employer. It can't be through another person or through a company, trust or partnership.

To work out if you're entitled to super guarantee contributions use the:

- Employee/contractor decision tool

Watch:

See also:

- Employees

Self-employed

- https://www.ato.gov.au/Individuals/Super/Getting-your-super-started/Self-employed/
- Last modified: 28 Nov 2018
- QC 23216

If you're self-employed – that is, a sole trader or a partner in a partnership – you don't have to make super contributions to a super fund for yourself. However, you may want to consider super as a way of saving for your retirement.

Your fund can only accept personal contributions from you if it has your tax file number (TFN).

If you're self-employed, you may:

- be able to claim a tax deduction for your super contributions
- be eligible for the low income super tax offset (LISTO)
- be eligible for the super co-contribution on contributions that you don't claim a deduction for
- benefit from the additional concessions for certain invalidity payments.

See also:

- Claiming deductions for personal super contributions
- Low income super tax offset
- Super co-contribution

Growing your super

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/
- Last modified: 28 Nov 2018
- QC 44993

There are a number of ways you can grow your super to make a positive difference to your lifestyle in retirement.

If you are, or have been employed, you should make the most of employer's contributions by:

- checking your employer's super guarantee contributions are paid into your fund
- letting us know if you have unpaid super from your employer
- keeping track of your super and search for any lost or ATO-held super.

To actively grow your super, take steps to investigate:

- a salary sacrifice arrangement with your employer
- making your own personal contributions
- checking if you 're eligible for government contributions
- transferring money from foreign super accounts.

Your spouse may also be able to make a contribution to your super.

Limits or caps apply on the amounts that can be contributed to your super each financial year. If you go over these caps, you may have to pay extra tax.

Check your super

Find out about:

- Super from your employer
- Unpaid super from your employer
- Adding to your super
- Keeping track of your super
- Maximising your super

See also:

- Super contributions - too much can mean extra tax
- MoneySmart.gov.au - to access financial guidance and tools, including super estimators
- Getting your super started
- Withdrawing and using your super
- Temporary residents and super

Super from your employer

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Super-from-your-employer/
- Last modified: 07 Oct 2019
- QC 23213

If you're eligible for super guarantee (SG) contributions, your employer must pay a minimum of 9.5% of your ordinary time earnings (up to the 'maximum contribution base' – rate current as of 1 July 2014) into your super account at least every three months.

If your employer is from Norfolk Island, a transitional rate applies. See Norfolk Island tax and super – Super for employers.

SG payments are classified as employer contributions and count towards your concessional (before-tax) contributions cap.

Ordinary time earnings are generally what you earn for ordinary hours of work, including:

- over-award payments
- commissions
- allowances
- bonuses
- paid leave.

If you're a contractor, the minimum super amount should be calculated on the labour component of your contract, if it's possible to separate it. Otherwise it should be calculated on the total amount.

Next step:

- Estimate my super tool will help you calculate your SG entitlement.

Working overseas

If you take up an Australian employer's offer to temporarily work overseas, your employer must continue to pay super contributions for you in Australia.

You or your employer won't have to pay super (or a super equivalent) in the other country if both the following apply:

- the country has a bilateral social security agreement with Australia
- your employer obtains a certificate of coverage from us.

Opt-out of receiving super guarantee

If you have two or more employers and expect your employers' super contributions will exceed your concessional contributions cap for a financial year, you can apply to opt-out of receiving SG from some of your employers.

Talk to your employer about the effect an exemption certificate may have on your pay or other entitlements before you apply. Note also that your employer can disregard an exemption certificate and continue paying SG.

Next step:

- Super guarantee opt-out for high income earners with multiple employers form

See also:

- [Am I entitled to super?]
- [Key super rates and thresholds]
- [Maximum super contribution base]

Unpaid super from your employer

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Unpaid-super-from-your-employer/
- Last modified: 06 Apr 2020
- QC 47931

If you think your employer isn’t paying your super contributions, follow the steps below:

1. Am I entitled to super? – you should confirm that you're entitled to super before taking any further steps.
2. Go to ATO online via myGov to view super contributions that have been paid into your super fund by your employer. If your employer has commenced Single Touch Payroll reporting, you can check if your super has been paid into your super fund. Your employer will tell us how much super they're required to pay to your fund.
3. Use the Estimate my super tool if you're unsure how much super your employer should be paying.
4. Talk to your employer. Ask them how often they're currently paying your super, which fund they're paying to and how much they are paying.
5. Confirm how much your super fund has received by checking member statements from your super fund.
6. Lodge an enquiry. If you've completed all of the steps above and still believe your employer isn't paying enough (or any) super – or isn't paying to your chosen fund, you can report your employer using our online tool.

Our collection approach to unpaid super

If your employer doesn't pay the minimum amount of super into the correct fund by the due date, they may have to pay the super guarantee charge (SGC).

We may investigate an employer's super guarantee compliance on our own initiative or in response to an employee enquiry. If we determine that your employer (or former employer) has not complied with their SG obligations for you, or we reasonably suspect this to be the case, we may disclose details of this to you.

From 1 April 2019, the law allows us to disclose an employer's non-compliance to affected employees even if they haven't lodged an enquiry with us.

We prioritise the collection of unpaid SGC debts. We'll work with employers who engage with us to address their debt. For those that don't engage, we'll take stronger action. This can include:

- director penalty notices
- garnishee notices.

If you've chosen to report your employer, we'll keep you updated throughout the investigation. If we establish there is an SGC debt, we'll inform you of the recovery actions we're taking.

If we commence an investigation into your employer and you haven't lodged an enquiry with us, we may notify you of the review. If you receive this notice, you don't need to take any action; we will advise you of the outcome when the investigation is complete.

Any SGC we collect from your employer is distributed to your super fund.

Find out about:

- Our process when investigating your enquiry
- Unpaid super
- Other ways to claim your unpaid super
- Fair Work Ombudsman

Adding to your super

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Adding-to-your-super/
- Last modified: 08 Aug 2019
- QC 23222

You can add to your super by entering into a salary sacrifice arrangement with your employer, making personal super contributions, transferring super from foreign super funds or you may be eligible for government contributions.

There are limits on how much you can contribute to your super each year.

Find out about:

- Salary sacrificing super
- Payment of super from foreign super funds
- Government super contributions (including co-contributions)
- Personal super contributions
- Downsizing contributions into super
- Tax on contributions

See also:

- Super contributions - too much super can mean extra tax

Salary sacrificing super

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Adding-to-your-super/Salary-sacrificing-super/
- Last modified: 04 Nov 2019
- QC 23227

Salary sacrifice is an arrangement with your employer to forego part of your salary or wages in return for your employer providing benefits of a similar value.

One example of a salary sacrifice arrangement is to have some of your salary or wages paid into your super fund instead of to you.

If your employer makes super contributions for you through a salary sacrifice agreement you should be aware how these contributions will affect your super balance.

From 1 January 2020, salary sacrificed super contributions will not:

- reduce the ordinary time earnings that your employer is required to calculate your super entitlement on
- count towards the amount of super guarantee contributions that your employer is required to make in order for them to avoid the super guarantee charge.

Salary sacrificed super contributions are classified as employer super contributions, rather than employee contributions. If you make super contributions through a salary sacrifice agreement, these contributions are taxed in the super fund at a maximum rate of 15%. Generally, this tax rate is less than your marginal tax rate.

The sacrificed component of your total salary package is not counted as assessable income for tax purposes. This means that it is not subject to pay as you go (PAYG) withholding tax.

If salary sacrificed super contributions are made to a complying super fund, the sacrificed amount is not considered a fringe benefit.

If you are deciding whether you should salary sacrifice some of your income into your super, or if you are already salary sacrificing, you can get more information or check your entitlements under the *Fair Work Act 2009*.

The Fair Work Commission regulates employment agreements and conditions. To check your conditions contact Fair Work Commission.

The Fair Work Ombudsman has information on deducting pay & overpayments. You can phone the Fair Work Ombudsman on 13 13 94.

See also:

- Fringe benefits tax (FBT)

Salary sacrifice limitations

Unless there are limitations specified in the terms of your employment, there is no limit to the amount you can salary sacrifice into super. However, you should also consider whether the amount you wish to salary sacrifice:

- will cause you to exceed your concessional (before-tax) contributions cap and attract additional tax – this concessional contributions cap limits the amounts that can be contributed to your super fund and still receive the concessional tax rate of 15%
- will attract Division 293 tax – this occurs when your income (including concessional super contributions and other components) is more than:
  - $300,000 in one year, before 1 July 2017
  - $250,000 in one year, from 1 July 2017.

Watch:

Media: Depending on your age and the type of contribution http://tv.ato.gov.au/ato-tv/media?v=bd1bdiubfo8e4j (Duration: 1:45)

See also:

- Concessional contributions
- Super contributions – too much can mean extra tax
- Salary sacrifice arrangements for employees
- Division 293 tax – information for individuals

Payment of super from foreign super funds

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Adding-to-your-super/Payment-of-super-from-foreign-super-funds/
- Last modified: 28 Nov 2018
- QC 44994

You may be able to be paid an amount by transferring money from a foreign super fund to:

- an Australian super fund

- yourself.

Whether you can be paid these amounts will depend on the rules of the super fund from which you are making the transfer, including the laws of the foreign country.

Certain conditions must also be met before your Australian super fund can accept a transfer from your foreign super fund. If you transfer the amount to your Australian super fund, this amount will generally count towards your super contributions caps.

You or your super fund may have to pay income tax on some or all of the amount when a payment is made.

See also:

- Super contributions - too much can mean extra tax
- Tax on transfers from foreign super funds

Government super contributions

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Adding-to-your-super/Government-super-contributions/
- Last modified: 01 Jul 2019
- QC 23226

In some circumstances, the government can make additional contributions to your super.

You don't need to apply for these government super contributions. If you're eligible and your fund has your tax file number (TFN), we will pay it to your fund account automatically.

On this page:

- Super co-contribution
- Low income super tax offset

Super co-contribution

The super co-contribution helps eligible people boost their retirement savings.

If you are a low or middle-income earner and make personal (after-tax) super contributions to your super fund, the government also makes a contribution (called a co-contribution) up to a maximum amount of $500.

To be eligible for a co-contribution you must meet the eligibility requirements.

If you have more than one fund and you want your co-contribution paid to a particular one, you'll need to nominate your preferred fund.

If you are now retired and no longer have an eligible super account that will accept the co-contribution, you can request a direct payment.

Request this by either:

- using your myGov account
- completing an Application for payment of ATO-held superannuation money.

See also:

- Super co-contribution - in detail

Low income super tax offset

Effective 1 July 2017, eligible individuals with an adjusted taxable income up to $37,000 will receive a low income super tax offset (LISTO) payment to their super fund. LISTO replaces the low income super contribution (LISC) that was repealed from 1 July 2017 and retains the same features.

The LISTO is calculated on 15% of the concessional (before tax) super contributions you or your employer pays into your super fund. The maximum payment you can receive for a financial year is $500, and the minimum is $10. If you're eligible for less than $10, we will round this up to $10.

If you've reached your ‘preservation age’ and are retired, you can apply to have your LISTO paid directly to you.

To request a direct payment, you can:

- use myGov to lodge a request online, or
- complete an Application for payment of ATO-held superannuation money (NAT 74880).

See also:

- Low income super tax offset
- Keeping track of your super

Check your super

Personal super contributions

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Adding-to-your-super/Personal-super-contributions/
- Last modified: 27 May 2019
- QC 23225

You can boost your super by adding your own contributions to your super fund.

Personal super contributions are the amounts you contribute to your super fund from your after-tax income (that is, from your take-home pay).

These contributions:

- are in addition to any compulsory super contributions your employer makes on your behalf
- do not include super contributions made through a salary-sacrifice arrangement.

Personal contributions are non-concessional (after-tax) contributions and will count towards your non-concessional contributions cap unless you have claimed a tax deduction for them.

Claiming a tax deduction for personal super contributions

If you're an employee you generally can't claim a tax deduction for any personal super contributions made before 1 July 2017, although you may be eligible for a super co-contribution. From 1 July 2017, most people, regardless of their employment arrangement, will be able to claim a full deduction for personal super contributions they make to their super until they turn 75. Individuals who are aged between 65 and 74 will need to meet the work test or work test exemption criteria (which apply from 1 July 2019) to be eligible to claim the deduction.

If you wish to claim a tax deduction for personal contributions, you must have:

- made the personal super contributions to an eligible super fund
- given your super fund a valid Notice of intent to claim or vary a deduction for personal super contributions form by the earlier of
  - the day you lodge your tax return for the year in which you made the contributions
  - the end of the income year following the one in which you made the contributions

- received written acknowledgment of the Notice of Intent from the super fund. An annual member statement or payment summary from your employer is not an acknowledgement of the Notice of Intent.

Personal super contributions that you claim as a deduction will count towards your concessional contributions cap.

See also:

- Claiming deductions for personal super contributions
- Notice of intent to claim or vary a deduction for personal super contributions

If you claim a deduction for your personal contributions, you may not be eligible for a super co-contribution.

Adding to super if you’re not working

If you’re under 65 years of age, you can make personal after-tax contributions to your super fund if you’re not working.

If you’re 65 years of age or over and aren't yet 75 years of age, you can only make personal after-tax super contributions if you meet the work test or work test exemption criteria (which apply from 1 July 2019).

See also:

- Super co-contributions
- Super contributions - too much can mean extra tax

Downsizing contributions into superannuation

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Adding-to-your-super/Downsizing-contributions-into-superannuation/
- Last modified: 15 Jun 2020
- QC 54086

The Contributing the proceeds of downsizing into superannuation measure was one of several announced in the 2017–18 Budget as part of the government's package of reforms to reduce pressure on housing affordability in Australia.

Note: If you signed a contract before 1 July 2018 you will not be eligible.

If you have questions about making a downsizer contribution, ask our Community for help.

On this page:

About the downsizer measure

From 1 July 2018, if you are 65 years old or older and meet the eligibility requirements, you may be able to choose to make a downsizer contribution into your superannuation of up to $300,000 from the proceeds of selling your home.

Your downsizer contribution is not a non-concessional contribution and will not count towards your contributions caps. The downsizer contribution can still be made even if you have a total super balance greater than $1.6 million.

Your downsizer contribution will not affect your total super balance until your total super balance is re-calculated to include all your contributions, including your downsizer contributions, on 30 June at the end of the financial year.

The downsizer contribution will count towards your transfer balance cap, currently set at $1.6 million. This cap applies when you move your super savings into retirement phase.

You can only make downsizing contributions for the sale of one home. You can't access it again for the sale of a second home.

Downsizer contributions are not tax deductible and will be taken into account for determining eligibility for the age pension.

If you sell your home, are eligible and choose to make a downsizer contribution, there is no requirement for you to purchase another home.

Eligibility for the downsizer measure

You will be eligible to make a downsizer contribution to super if you can answer yes to all of the following:

- you are 65 years old or older at the time you make a downsizer contribution (there is no maximum age limit)
- the amount you are contributing is from the proceeds of selling your home where the contract of sale exchanged on or after 1 July 2018
- your home was owned by you or your spouse for 10 years or more prior to the sale – the ownership period is generally calculated from the date of settlement of purchase to the date of settlement of sale
- your home is in Australia and is not a caravan, houseboat or other mobile home
- the proceeds (capital gain or loss) from the sale of the home are either exempt or partially exempt from capital gains tax (CGT) under the main residence exemption, or would be entitled to such an exemption if the home was a CGT rather than a pre-CGT (acquired before 20 September 1985) asset
- you have provided your super fund with the *Downsizer contribution into super* form either before or at the time of making your downsizer contribution
- you make your downsizer contribution within 90 days of receiving the proceeds of sale, which is usually at the date of settlement
- you have not previously made a downsizer contribution to your super from the sale of another home.

Note: If your home that was sold was only owned by one spouse, the spouse that did not have an ownership interest may also make a downsizer contribution, or have one made on their behalf, provided they meet all of the other requirements.

Downsizer contribution amounts

If eligible, you can make a downsizer contribution up to a maximum of $300,000 (each). The contribution amount can't be greater than the total proceeds of the sale of your home.

The downsizer contribution would form part of the member's tax free component held in the fund.

Note: If you sign a contract prior to 1 July 2018 you will not be eligible.

Example 1

A couple, George and Jane, sell their home for $800,000. Each spouse can make a contribution of up to $300,000.

Example 2

A couple, Bruce and Betty, sell their home for $400,000. The maximum contribution both can make cannot exceed $400,000 in total. This means they can choose to contribute half ($200,000) each, or split it – for example, $300,000 for Betty and $100,000 for Bruce.

Example 3

A couple, John and Fatima, sell their home for $600,000. Only John is on the title. Both John and Fatima meet all the other requirements, therefore both John and Fatima can made a downsizer contribution of up to $300,000 each.

Main residence exemption

The proceeds (capital gain or loss) from the sale of the home are either:

- exempt or partially exempt from capital gains tax (CGT) under the main residence exemption
- would be entitled to such an exemption if your home was a CGT rather than a

pre-CGT asset (that is, you acquired it before 20 September 1985).

Timing of your contribution

You must make your downsizer contribution within 90 days of receiving the proceeds of sale. This is usually at the date of settlement.

We can allow for a longer period if required because of circumstances outside your control. You will need to apply for an extension of time.

Making multiple contributions

You may make multiple downsizer contributions from the proceeds of a single sale.

However, the total of all your contributions must not exceed $300,000 or the total proceeds of the sale less any other downsizer contributions that have been made by your spouse.

You need to make all contributions within 90 days of receiving the proceeds of sale, usually the date of settlement, unless you have been granted an extension.

Contributions found not to be downsizer contributions

If we become aware that your contribution does not meet the downsizer contribution eligibility requirements, your fund will need to assess whether your contribution could have been made as a personal contribution under the contributions acceptance rules.

If your contribution can be accepted, the amount will count towards your non-concessional contributions cap.

If your contribution can't be accepted, the contribution amount will be returned to you by your super fund.

False and misleading penalties may be applied if we identify that your downsizer contribution was not eligible and you had incorrectly declared that you were eligible to make such a contribution.

How to make a downsizer contribution

Before you decide to make a downsizer contribution, you should:

- check the eligibility requirements for making a downsizer contribution
- contact your super fund (or funds) to check that they accept downsizer contributions. If you don't currently have an open account with a super fund, you will need to open a new super account to make your downsizer contribution.

You may also wish to seek independent financial advice in relation to the age pension asset tests.

Completing the downsizer into super contribution form

When you choose to make a downsizer contribution, you will need to complete the *Downsizer contribution into super* (NAT 75073) form. You need to provide this to your super fund when making – or prior to making – your contribution.

If you make multiple downsizer contributions or downsizer contributions to different super funds, you must provide a form for each contribution.

Remember that all downsizer contributions must be made to your super fund within 90 days of receiving the proceeds of sale, usually the date of settlement.

Next step:

- Downsizer contribution into super form (NAT 75073)

Extension of time

You may be able to request a longer period for making a downsizer contribution in some circumstances, for example, where a delay has been caused by factors outside your control. An extension of time will not be granted to allow you to meet the age requirement.

An extension of time should be requested before the 90-day period from the date of settlement has expired.

However, if you have overlooked the 90-day time frame, an extension of time may be granted due to but not limited to:

- ill health
- death in the family
- moving house.

You can contact us on 13 10 20 to apply for an extension of time.

Examples of extension requests

Example 1: Ben – extension granted

Ben is 77 years old and decides to sell his family home of 15 years. Settlement occurs on 1 August 2019. He purchases a new home in a retirement village which is due to settle on 1 October 2019.

The retirement village has only just been built and Ben's settlement is delayed until 1 December 2019 while final council approvals are obtained.

Ben does not want to contribute funds from the sale to his super until after the settlement of his new property to ensure he has enough money to purchase and move into the property.

Upon his request, we give Ben an extension of time to contribute until 1 February 2020. This extension allows Ben enough time to settle on the new property and make a contribution of the remaining money from his sale.

Ben can afford to contribute $200,000 to his super fund after the sale and makes this on 25 January 2020.

Example 2: Rebecca – extension not granted

Rebecca has just turned 64 years old. She decides to sell her family home which she has lived in for 30 years with her husband James, who is 70. After the sale Rebecca requests an extension of time to make a downsizer contribution, as it is more than 90 days from the date of settlement until she turns 65.

We do not extend the timeframe on the basis that the timing of the sale was within Rebecca's control and is far in excess of the 90 days allowed to make the contribution.

Instead, Rebecca decides to make a non-concessional contribution to her superannuation from the sale proceeds which counts towards her non-concessional contributions cap.

Her husband James is eligible to make a downsizer contribution and contributes $300,000 to his super fund.

Review of decision

You will also be able to seek a review of any decision we make in allowing a longer period. For example, if you are dissatisfied with the length of the extension, or a decision not to allow a longer period.

Next step:

- Objection form – for taxpayers (NAT 13471)

More information

See also:

- Contributing the proceeds of downsizing to super fact sheet (available on the ATO Publication Ordering Service)
- LCR 2018/9 *Housing affordability measures: contributing the proceeds of downsizing to superannuation* - This law companion ruling provides clarity and certainty around our interpretation of the new legislation
- GN 2018/2 *Downsizer contribution* - This guidance note contains general information and examples.

Tax on contributions

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Adding-to-your-super/Tax-on-contributions/
- Last modified: 28 Nov 2018
- QC 23223

The tax you pay on your super contributions generally depends on whether the contributions were made before or after you paid income tax, you exceed the super contribution caps or you are a high-income earner.

On this page:

- Before-tax super contributions
- After-tax super contributions
- Excess contributions tax
- Division 293 tax for high-income earners

Before-tax super contributions (concessional)

The super contributions you make before tax (concessional) are taxed at 15%.

Types of before-tax contributions include:

- employer contributions, such as compulsory employer contributions and salary sacrifice payments made to your super fund
- contributions that you are allowed as an income tax deduction
- notional taxed contributions if you are a member of a defined benefit fund
- unfunded defined benefit contributions
- constitutionally protected funds.

See also:

- Concessional contributions
- Salary sacrifice arrangements
- Claiming deductions for personal super contributions

After-tax super contributions (non-concessional)

The super contributions you make after tax (non-concessional) are not subject to tax.

Types of after-tax contributions include:

- contributions you or your employer make from your after-tax income
- contributions your spouse makes to your super fund
- personal contributions that are not claimed as an income tax deduction.

See also:

- Non-concessional contributions

- Claiming deductions for personal super contributions

Excess contributions tax

There are limits on the amount of before-tax and after-tax contributions you can make each year, and these may vary depending on the financial year and your age.

If you contribute too much to your super, you may have to pay extra tax.

If you exceed the before-tax (concessional) super contributions cap, the excess is included in your income tax return and taxed at your marginal tax rate. You can choose to withdraw some of the excess contributions to pay the additional tax.

If you exceed the after-tax (non-concessional) super contributions cap, you can choose to withdraw the excess contributions and any earnings. The earnings are then included in your income tax assessment and taxed at your marginal rate.

If you don't withdraw the earnings, the excess is taxed at 47%.

You must lodge an income tax return if you exceeded your non-concessional contributions cap in the 2016–17 financial year, and you may have to pay extra tax.

See also:

- Super contributions – too much can mean extra tax

Media: What happens if you go over the super contributions cap
http://tv.ato.gov.au/ato-tv/media?v=bd1bdiubfo8e4j (Duration: 01:45)

Division 293 tax for high-income earners

Division 293 tax is an additional tax on super contributions if your combined income and super contributions are more than the threshold. From 1 July 2017 this threshold is being reduced to $250,000.

Division 293 tax is 15% of your taxable concessional contributions above the $250,000 threshold.

If you are a member of a defined benefit fund, Division 293 tax may be calculated on notional contributions which are not capped.

See also:

- Division 293 tax - information for individuals
- Super contributions - too much can mean extra tax

Keeping track of your super

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Keeping-track-of-your-super/
- Last modified: 24 May 2019
- QC 23228

Your super is your savings for retirement. It's important that you know:

- how much super you're getting
- what super accounts you have
- what insurance is provided for you.

Having several super accounts could mean you're paying multiple fees and charges, which may reduce your overall retirement income.

Inactive low-balance accounts

A new law starting 1 July 2019 requires super funds to report and pay inactive low-balance super accounts to the ATO. Where possible, we will proactively consolidate the inactive low-balance accounts into active super funds on your behalf.

For more information see Inactive low-balance super accounts

ASIC's MoneySmart website has details on the complete Protecting your super package.

Lost and unclaimed super

If you have ever changed your name, address, job or lived overseas, you may have unintentionally lost track of some of your super.

Your lost or unclaimed super may be held by your super fund (as a lost member), or by us as ATO-held super.

You can check where your super is using ATO online services through myGov.

Media: Too many super accounts?
http://tv.ato.gov.au/ato-tv/media?v=bd1bdiubfo8e48 (Duration: 01:17)

Check your super

You can find and manage your super using ATO online services through myGov. You can:

- see details of all your super accounts, including any you may have forgotten about
- find lost super held by your super funds

- find ATO-held super – if your super fund, employer or the government can't find a super account to transfer your super to, we hold it on your behalf until you claim it from us or if it is unclaimed super money we are able to proactively transfer it to an eligible active super account that you hold
- combine your multiple super accounts by transferring your super into one super account.

Before consolidating, check with your fund to see if there are any exit fees or whether you will lose any valuable insurance. For more information, visit ASIC's MoneySmart website.

To find and manage your super using our online services:

- log in or create a myGov account
- link your myGov account to the ATO
- select 'super'
- you can then find and choose to transfer your super.

If you are unable to access our online services through myGov you can phone us.

Note: To find out how much you contributed to your super fund so you do not exceed the superannuation contribution caps, you will need to contact your super fund.

Can’t find the information you’re looking for? See whether the Community can help you!

See also:

- Access myGov via the ATO app
- Online services - super for individuals
- ATO-held super
- Growing your super
- Lost and unclaimed super by postcode
- Multiple super accounts data
- Online services for individuals and sole traders
- Searching for lost super

Authorised by the Australian Government, Canberra.

ATO-held super

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Keeping-track-of-your-super/ATO-held-super/
- Last modified: 14 Nov 2019
- QC 25544

ATO-held super refers to super money we hold for you. This includes amounts paid by employers, super funds, retirement savings accounts (RSA) providers or the government on your behalf.

Generally, super money will be transferred to us from super providers for any of the following:

- unclaimed super for members aged 65 years or older, non-member spouses and deceased members
- small lost member accounts and insoluble lost member accounts
- inactive low-balance accounts
- super for temporary residents who have left Australia for six months or more.

If we hold your super, you can consolidate or claim it from us once you've met certain conditions.

On this page:

See also:

- Withdrawing your super and paying tax

Find out if you have ATO-held super

To find out if you have ATO-held super, use our online services for individuals. You will need a myGov account linked to the ATO.

You can use our online services to:

- view details of all your reported super accounts, including any you have lost track of
- combine multiple super accounts by transferring your super, including ATO-held super, into your preferred eligible super account – if this is a fund-to-fund transfer it will generally be actioned within three working days
- withdraw your ATO-held super and put it into your bank account – if you meet certain conditions.

Next steps:

- Keeping track of your super – for more information about myGov and linking to the ATO.
- ATO app – download our app to access our online services.

Where ATO-held super comes from

ATO-held super may include government super contributions, amounts received from employers and super amounts received from super providers as follows.

Super guarantee payments

Super guarantee is the super your employer must contribute to your super account if you are an eligible employee.

If your employer has not paid the right amount of super for you, they have to pay the gap to us and we hold it on your behalf where the money cannot be paid into an active account.

See also:

- Unpaid super from your employer

Government super contributions

The super co-contribution is where the government helps low and middle-income earners boost their super savings by matching some or all of their personal contributions each year.

The low income superannuation tax offset (LISTO) is a government payment to assist low income earners save for their retirement. Individuals with income up to $37,000 may be eligible to receive a refund into their super account to offset the tax paid on their concessional super contributions. The offset will be 15% of your concessional contributions, up to a cap of $500.

See also:

- Government super contributions

Amounts received from super providers

Your super provider must report and pay your lost or unclaimed super to us if you are:

- aged 65 years or over, haven't made a contribution for the past two years and your fund has been unable to contact you for five years
- deceased, and your fund has been unable to pay the benefit to the rightful owner
- a former temporary Australian resident, and it has been six months since you left Australia or since your visa expired
- entitled to be paid your ex-spouse’s super in a divorce, and the fund is unable to contact you
- a lost member whose account balance is less than $6,000
- a lost member whose account has been inactive for 12 months, and your fund does not have the information needed to make a payment to you
- a member whose account is an inactive low-balance account.

If you are a beneficiary of a deceased person, you may be able to claim their unclaimed super money.

From 1 July 2013, interest will be payable on unclaimed super we hold. We will pay the interest when we process your claim. Generally, you do not have to pay income tax on these interest payments.

Note: Interest on unclaimed super accounts is calculated using the consumer price index (CPI).

See also:

- Consumer price index (CPI) rates

Superannuation holding account (SHA) special account

The SHA special account is a holding account designed to protect your small super amounts until they can be transferred into a super fund or retirement savings account. It is not a trust fund or super fund.

We deposit government super contributions or super guarantee payments that have not been paid to a fund, into the SHA special account.

Up to 30 June 2006, the SHA special account also accepted payments on your behalf from employers who could not find a super fund to accept their contributions.

If there has been no account activity for 10 years, it becomes an inactive account.

Transferring ATO-held super to your super account

If we're holding ATO-held super for you, use our online services to nominate the eligible super fund you would like to transfer the money to. This is the quickest way to transfer any ATO-held super to your preferred fund. To do this you'll need a myGov account linked to the ATO.

To link the ATO to your myGov account:

- log in or create a myGov account
- link your myGov account to the ATO
- select Super
- you can then find and choose to transfer your super.

Note: If you can't use our online services you can phone us.

Proactive consolidation of ATO-held super

We will initiate the transfer of certain types of ATO-held super to an eligible, active super account on your behalf. This will only happen where:

- you have not made a request to transfer ATO-held super to your preferred super fund
- you are aged less than 65 years
- the amount of ATO-held super is $200 or more.

The types of ATO-held super we can transfer include the following:

- Small lost member accounts
- Insoluble lost member accounts
- Inactive low-balance accounts

An eligible, active super account is a super account that:

- is held by a living person
- is in accumulation phase
- accepts government rollovers
- has received a contribution in the current or previous financial year
- has a balance of $6,000 or more after the transfer of ATO-held super.

If there is more than one eligible active account, we will select the account according to the law as follows:

- account most recently received a rollover from the ATO within the current financial year, or
- account most recently received a contribution within the current or previous financial year, or
- account with the largest balance at the end of the last financial year.

If following the above rules doesn't return one eligible active account then the ATO will determine where to send unclaimed super money.

Where possible, you will be notified if we transfer ATO-held super to an eligible active super account on your behalf.

See also:

- Keeping track of your super
- Online services for individuals

Payment of ATO-held super

We will actively make a direct payment to you of your ATO-held super where the amount is less than $200 or you are aged 65 years or over. Where possible, you will be notified if we have made payments to you.

To ensure you receive your ATO-held super money, we encourage you to check and update your financial institution details (FID) with us. You can do this through our online services and will need a myGov account linked to the ATO.

The direct payment of ATO-held amount of less than $200 has no tax withheld and is not subject to tax, therefore you do not need to include this amount in your tax return.

You may also be able to withdraw your ATO-held super if you meet certain conditions.

There are two ways to check if you are eligible to withdraw your super – use our ATO Online services or complete a paper form.

Use our online services for individuals

You can use our ATO Online services to check if you are eligible and, if so, withdraw your ATO-held super and have it paid into your bank account via electronic funds transfer (EFT) or cheque.

Next steps:

- Keeping track of your super – for more information about myGov and linking to the ATO.
- How to create a myGov account and link to the ATO – watch to learn how to access our online services.
- ATO app
- Check your eligibility to withdraw your super

Complete a paper form

You can apply for withdrawal of your ATO-held super using a paper claim form. You may be required to provide documentation to support your application.

Next step:

- Application for payment of ATO-held superannuation money – download the paper claim form.

Temporary resident claims

If you are a temporary resident who has left Australia and your visa has ceased to be in effect, you can claim your super as a Departing Australia superannuation payment (DASP).

See also:

- Departing Australia superannuation payment (DASP) – for more information on eligibility and how you can claim DASP.

Statement of accounts for ATO-held super

You may receive a statement of account (SOA) for your ATO-held super.

Your SOA provides a list of transactions processed during the statement period. It shows your current account balances and any amounts due and payable for each super type or role within your ATO super account.

See also:

- Superannuation statement of account – individuals
- Death benefits

Your five-step super check

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Keeping-track-of-your-super/Your-five-step-super-check/
- Last modified: 28 Nov 2018
- QC 38196

Managing your super doesn't need to be difficult or time-consuming. You can simply:

- find out about your super entitlements
- do our five-step super check to help sort out and grow your super.

You might like to do the check at least once a year – for instance, when you're doing your tax or in the new year. It's also a good idea to review your super when you start work after a break or change jobs or planning to retire.

Find out about:

- Your super entitlements
- The five-step check
- More tools and information

Your super entitlements

Super is money set aside over your lifetime to provide for your retirement. If you look after your super now, you will have more money to enjoy later. Retirement may seem a long way off, but the great thing about super is that it works for you while you're doing other things.

In most cases, if you have a job, your employer has to put money into your super account. This is called the super guarantee (or SG) and it's the law.

If you've set up and are running your own small business, don't forget to invest in super for yourself.

From 1 July 2017, regardless of your employment arrangement, you may be able to claim a full tax deduction for personal contributions you make to your super fund until you turn 75 years old. Keep in mind that contributions you make may be subject to extra tax if they exceed the contributions limit for that year.

See also:

- Claiming deductions for personal super contributions

Your eligibility for super

Generally, you're entitled to SG contributions from your employer if you're at least 18 years old and paid $450 or more (before tax) in a month. It doesn't matter whether you're full time, part time or casual, or if you're a temporary resident of

Australia. If you're less than 18 years old you must meet these conditions and also work more than 30 hours a week.

If you're a contractor paid 'wholly or principally for labour', you're considered an employee for super purposes and entitled to SG under the same rules as employees.

Since 1 July 2013, you must be paid super if you're:

- aged 70 years or over
- working
- are eligible.

You may not be eligible if you are paid to do domestic or private work for no more than 30 hours per week.

Next steps:

- Employee/contractor decision tool – work out if you're an employee for super purposes.
- Am I entitled to super? tool –find out if you're entitled to super guarantee contributions.

Your employer's contribution

If you're eligible for SG, your employer must pay a minimum of 9.5% of your ordinary time earnings into your super account at least every three months.

If you need help to calculate the amount of super guarantee your employer should be paying, you can use our Estimate my super tool.

Example

During the first quarter of the 2017–18 financial year (1 July – 30 September 2017) Julie's ordinary time earnings were $8,000.

The super contribution Julie's employer must make for her for that quarter is:

- 9.50% × $8,000 = $760.

Choosing a super fund

Most people can choose the super fund they want their super paid into, as long as it's a complying fund under Australian regulations.

You don't need to choose a new super fund every time you start a new job. You can usually choose to have your super paid into your current super fund account. Keeping the one super fund can help save on fees and charges over time.

See also:

- [Choosing a super fund]

The five-step check

There are five simple things you can do that can make a difference to your super savings over time, meaning more money for you when you retire:

1. Check your super statements
2. Make sure your fund has your TFN
3. Keep track of your super using myGov
4. Consider government contributions
5. Put extra money into your super

1. Check your super statements

Generally your super fund will send you a statement at the end of the financial year. This annual statement provides you with information about:

- your balance
- contributions made to your account during the year
- any insurance cover you have with the fund
- fees and performance.

It is important to check that your employer is paying the correct amount of super on your behalf. If you are unsure how much your employer should be paying you can use the Estimate my super tool. If your employer is not paying the correct amount you can report this to us online.

Many super funds arrange life and disability cover for their members, for a fee. Having insurance for accidents and illness can provide a sense of security for you and your family. However, it is important you know what cover you have as you might have similar cover under another type of policy. This might mean you are paying for the same cover twice.

When checking your statement you should take note of the fees. Super funds charge you fees for the services they provide. Generally, a super fund with low fees will build your savings faster.

Checking your super statement is a good time to see if you have any other super.

See also:

- Unpaid super
- Keeping track of your super

2. Make sure your fund has your TFN

If your super fund has your tax file number (TFN), it will make it easier for them to report your super account information to us. It also helps us display your super information to you when you use our online services, and helps you keep track of your super.

You can check if your fund has your TFN by looking at your super statement. If your TFN is not listed, contact your fund and give it to them. The benefits of providing your fund with your TFN are:

- your fund will pay less tax on employer contributions (and pass the savings on to you)
- you are less likely to lose track of a super account
- you will not miss out on government super payments – for example, the government co-contribution
- you will be able to make personal (after tax) contributions to the fund.

See also:

- Getting your super started

3. Keep track of your super using myGov

You can create a myGov account and link to the ATO to:

- see details of all your super accounts, including any you have lost track of or forgotten about
- see details of your total super balance and your transfer balance cap
- find ATO-held super – if the government, your super fund or your employer can't find an account to transfer your super to, we hold it on your behalf
- combine multiple super accounts by transferring your super into your preferred super account. If this is a fund-to-fund transfer it will generally be actioned within three working days.

Next steps:

- To use our online services, create a myGov account and link to the ATO.
- Already linked the ATO to your myGov account? Login to myGov.
- For help with registering, refer to Register to use our online services.
- You can also access myGov via the ATO app.

4. Consider government contributions

If you're a low- or middle-income earner, the government may help boost your savings through the super co-contribution.

The co-contribution is a government payment you may get if you make personal (after-tax) super contributions into a complying super fund account. It is paid directly into your super account. There is a maximum income limit that is indexed each year.

To receive the maximum co-contribution ($500), you need to earn $36,021 or less and put $1,000 into your super account during 2017–18. If you put less than this amount into your super over the year, the government will match up to half your payments, depending on what you earn. The minimum amount payable is $20.

If your income is over $36,021, the co-contribution rate reduces by 3.33 cents in every dollar until the maximum income limit is reached ($51,021 for 2017–18). Then the co-contribution is phased out completely.

Example: Super co-contribution

Angela earns $36,000 a year. She pays $40 per fortnight from her take-home pay into her super account for 2017–18 (this will total $1,040 for the financial year).

With this payment plan, Angela will be eligible for the maximum rate of co-contribution for 2017–18 ($500).

We will pay this amount into Angela's super account between November and January after the 2017–18 financial year.

See also:

- [Super co-contribution](#)
- [Super co-contribution calculator](#)

5. Put extra money into your super

You can make payments into your super fund account over and above the 9.5% your employer pays on your behalf. This can really help to build your super over time, and can help you make up for periods when you are not working. Even small amounts will make a difference.

Salary sacrifice

Salary sacrifice is when you and your employer make an agreement to pay some of your before-tax (gross) salary or wages into your super.

If you want to make salary sacrifice contributions, talk to your employer about it first to make sure they allow it and so you know what the benefits will be to you. For example:

- salary sacrifice reduces your assessable income
- super contributions are taxed in your super fund at 15%, which is usually less than you would pay if you took the money as salary.

Example: Salary sacrificing into super

Emily earns $58,000 a year (gross). She enquires with her human resources section and finds out that her employer offers salary sacrifice arrangements.

Emily arranges to have an extra $200 a fortnight ($5,200 a year) paid into her super account before tax. This is in addition to the super her employer pays into her super account on her behalf.

Normally, Emily would pay $10,397 tax (not including the Medicare levy) a year on $58,000.

By salary sacrificing $5,200 into her super, Emily helps build her super and pays less tax.

She is taxed on $58,000 less $5,200 ($52,800). The tax payable on $52,800 is $8,707.

Emily not only adds $5,200 more into her super a year, but saves $1,690 in tax.

Example: Concessional contributions cap

Jenny earns $100,000 a year (gross) and her employer contributions are $9,500.

In the 2017-18 financial year, Jenny wants to make additional contributions to her super fund.

She organises to contribute $350 to her super before-tax by salary sacrificing every two weeks.

By contributing $350 of her gross income every two weeks, Jenny is making concessional contributions of $9,100 for the year.

The sum of Jenny's employer contributions ($9,500) and salary sacrifice contributions ($9,100) is $18,600.

Jenny's concessional contributions cap for the 2017-18 financial year is $25,000.
Because Jenny's employer contributions and salary sacrifice contributions are less than $25,000, Jenny does not exceed the concessional contributions cap.

Example: Exceeding the concessional contributions cap

Bob earns $160,000 a year (gross) and his employer contributions are $15,200.

For the 2014-15, 2015-16 and 2016-17 financial years, Bob contributed $12,000 to his super each year before-tax by salary sacrificing. The sum of Bob's concessional contributions each year was $27,200.

By making yearly concessional contributions of $27,200, Bob was not exceeding the concessional contributions cap as for these financial years the concessional contributions cap was $30,000 per year (or $35,000 if you were over the age of 49).

From 1 July 2017, the concessional contributions cap is $25,000 for all ages. Following on from Bob's previous example, he chooses not to reduce his before-tax salary sacrificed contributions and continues to makes concessional contributions of $27,200 for the 2017-18 financial year.

Because the concessional contribution cap reduced to $25,000 for the 2017-18 financial year, the ATO determines that Bob is in excess of the concessional contributions cap by $2,200.

The ATO amends Bob's income tax return and includes the excess amount of $2,200 as assessable income with an offset for the amount already taxed in the fund. The ATO also applies the excess concessional contributions (ECC) charge as the tax is collected later than normal income tax.

The ATO issues Bob with a Notice of Amended Assessment and an excess concessional contributions determination to advise him of the amount of his excess concessional contributions and ECC charge.

The determination advises Bob that because he has exceeded the cap by $2,200, he may:

remove up to 85% of the excess contribution amount from his super, or
pay the liability from his own sources.

Bob chooses to release 85% of the excess concessional contributions. He lodges the election form through myGov. Once the election form is received, the ATO issues a release authority to Bob's nominated fund. They are required to release the maximum amount available to the ATO.

The released amount will offset any of Bob's Commonwealth debt and will refund any remaining balance direct to Bob.

There are limits on how much you can contribute to super each year before being charged extra tax, depending on your age for the year.

The caps on before-tax, or 'concessional' contributions are:

- $30,000 if you're under 50 years old in the 2016–17 financial year
- $35,000 if you're turning 50 years old or older in the 2016–17 financial year.

Note: From 1 July 2017, the concessional contributions cap was reduced to

$25,000.

See also:

- Salary sacrificing super
- Key super rates and thresholds

After-tax contributions

After-tax, or non-concessional contributions, are generally contributions you make into your super fund after tax has been paid on the money. They include:

- personal contributions you make from your after-tax pay that you are not allowed to claim as an income tax deduction – these contributions can qualify for the government co-contribution
- contributions your spouse makes to your fund on your behalf.

See also:

- Tax on contributions
- Super contributions – too much can mean extra tax

Example: Non-concessional contributions cap

Katie receives an inheritance from a family member of $170,000 in the 2017-18 financial year. She contacts her super fund and finds out that she has a total superannuation balance of $600,000.

She decides to contribute the inheritance to her super fund as a non-concessional contribution.

From 1 July 2017 the non-concessional contributions cap reduced from $180,000 to $100,000 per year. Because the amount Katie wants to contribute is over $100,000, she triggers the 'bring-forward' arrangement.

A 'bring–forward' arrangement allows Katie to contribute up to three times the annual non-concessional contributions cap in a single year by bringing forward her cap for a two- or three-year period.

To access the non-concessional bring-forward arrangement you must be under 65 years of age for one day of the first year and have a total superannuation balance of less than $1.4 million at the end of 30 June 2017.

As Katie satisfies these conditions, she can contribute the full $170,000, leaving her with a remaining non-concessional contributions cap of $130,000 over the three-year period.

Katie can continue to contribute up with $130,000 in the remaining two-year period without exceeding her three-year bring forward cap.

If Katie contributes more than this, she will have excess non-concessional contributions.

Example: Exceeding the non-concessional contributions cap

Simon is 44 years old and has recently sold his property, leaving him with a $200,000 profit.

He decides to use the profit to add funds to his super fund, which has a total superannuation balance of $1.5 million.

Because Simon already has $1.5 million in his super fund, Simon's non-concessional contribution cap is $100,000. He cannot access a bring-forward arrangement as his total superannuation balance cannot exceed $1.6 million. .

Simon chooses to add the full $200,000 to his super fund as a non-concessional contribution, causing him to exceed his cap by $100,000.

The ATO determines that Simon has exceeded the non-concessional contributions cap by $100,000 (plus any associated earnings that the excess may have accrued) and sends him a determination to advise him of his excess contribution.

The determination advises Simon that because he has exceeded the cap by $100,000, he must:

- release 100% of the excess amount (plus 85% of the associated earnings) from his fund and have the associated earnings taxed at his marginal rate and receive 15% of associated earnings as a tax offset; or
- pay excess non-concessional contributions tax on the excess amount. This is the equivalent of the excess amount being taxed at the highest marginal rate (45%) plus the Medicare levy (2%).

In this instance, selecting this option would mean Simon would pay a penalty of $47,000.

Simon chooses to release the excess amount (plus 85% of the associated earnings) from his fund.

He lets the ATO know of his decision by completing an excess non-concessional contributions election form which he accesses from his myGov account.

The ATO sends Simon's fund a release authority form, requesting release of the nominated amount.

Simon’s fund has 20 business days to release the funds to the ATO and advise the ATO of completion. The released amount will offset any of Simon’s Commonwealth debt and will refund any remaining balance direct to Simon.

See also:

- Total super balance

Planning for work breaks

Making extra super contributions while you are working can help prepare you for work breaks such as parental leave.

If you have a spouse, they can also make super contributions on your behalf and may be entitled to a tax offset for this. From 1 July 2017, the spouse income threshold for the tax offset increased from $13,800 to less than $40,000 meaning more people will be eligible.

See also:

- Spouse super contribution tax offset

More tools and information

The Australian Securities & Investments Commission (ASIC) website MoneySmart helps people make smart choices about their personal finances. This is free independent guidance to help you can make the best choices for your money.

See also:

- Transfer balance cap
- Total super balance

See also:

- Super contributions optimiser
- Retirement planner calculator

Maximising your super

- https://www.ato.gov.au/Individuals/Super/Growing-your-super/Maximising-your-super/
- Last modified: 28 Nov 2018
- QC 57451

To ensure you have the lifestyle you want in retirement, it is important that you manage your super across all your working life. It is a good idea however to check how you can maximise your super, at least 10-15 years before the age you hope to retire, so that you have time to make a difference to your final super amount.

You should consider how much money you will need when you retire to enjoy a comfortable lifestyle. You can use the MoneySmart retirement planner to work out what your retirement income could be and the small changes you can make to build your super.

Keep track of your super and check that you're receiving all the super you're entitled to from your employers. You can estimate how much super guarantee your employer/s should have paid for you by using the estimate my super tool. If you believe an employer has not paid enough, you can report them using our report unpaid super contributions from my employer tool to let us know.

As you approach your retirement, there are important things you need to consider to maximise your super. For example, you need to be aware of tax implications for personal contributions, or the limit on the total amount of superannuation that can be transferred into the retirement phase.

Find out about:

- Adding to your super

See also:

- Keep track of your super
- Super co-contribution
- Withdrawing your super and paying tax
- MoneySmart.gov.au

Withdrawing and using your super

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/
- Last modified: 27 Mar 2020
- QC 23234

You can withdraw your super:

- when you turn 65 (even if you haven’t retired)
- when you reach preservation age and retire, or

- under the transition to retirement rules, while continuing to work.

There are very limited circumstances where you can access your super early. These circumstances are mainly related to specific medical conditions, severe financial hardship, COVID-19 (novel coronavirus), or the First home super saver scheme.

Your preservation age is not the same as your pension age. Your preservation age is the age at which you can access your super if you are retired (or have started a transition to a retirement income stream). Refer to Services Australia for the age pension eligibility requirements.

Your preservation age depends on when you were born. You can use this table to work out your preservation age.

Preservation age based on date of birth

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

Check your super

Find out about:

- Super withdrawal options
- Pensions and other benefits
- Transfer balance cap
- Death benefits
- Early access to your super
- Tax on benefits

See also:

- Getting your super started
- Growing your super

- Temporary residents and super

Super withdrawal options

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/Super-withdrawal-options/
- Last modified: 28 Nov 2018
- QC 44996

You can receive your super as a super income stream, super lump sum or a combination of both. Check with your fund to find out what options are available to you.

The super withdrawal option that you choose may affect the amount of tax you pay and the amount of money you have for your retirement.

Super income stream

You receive a super income stream as a series of regular payments from your super fund (paid at least annually). The payments must be made over an identifiable period of time and meet the minimum annual payments for super income streams.

Super income streams are a popular investment choice for retirees because they help you manage your income and spending. Super income streams are sometimes called pensions or annuities.

Your super income stream may be either:

- an account-based super income stream
- a non-account-based super income stream.

Your super income stream will stop:

- when there is no money left in your super account
- minimum annual payment is not made
- commutation (when you convert a super income stream into a super lump sum)
- when you die, unless you have a dependant beneficiary who is automatically entitled to receive the income stream.

Super lump sum

If your super fund allows it, you may be able to withdraw some or all your super in a single payment. This payment is called a 'lump sum'.

You may be able to withdraw your super in several lump sums. However, if you ask your fund to set up regular payments from your super it is considered an income stream.

If you take a lump sum out of your super, the money is no longer considered to be super. If you invest the money, the money that you earn on those investments will not be taxed as super and may need to be declared in your tax return.

See also:

- [Super withdrawal options]
- [Pensions and other benefits]
- [Super and relationship breakdowns]
- [Super death benefits]

Check your super

Pensions and other benefits

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/Pensions-and-other-benefits/
- Last modified: 28 Nov 2018
- QC 23240

If your super benefits won't fully support you when you retire, you may also qualify for:

- Australian Government support, such as age and service pensions or benefits
- tax offsets.

If you're retired or have turned 60, you may be eligible for some tax offsets. This will depend on your income and assets, where your income comes from, and whether you're fully or partly retired.

You may be able to claim the:

- seniors and pensioners tax offset (only available if you qualify for the age pension – from 1 July 2017 the age pension qualification age is 65 years and six months)
- a tax offset for super contributions made on behalf of your spouse
- low income tax offset.

For more information about government age pensions, concessions and other benefits visit humanservices.gov.au

See also:

- Offsets and rebates

Transfer balance cap

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/Transfer-balance-cap/
- Last modified: 23 Jan 2019
- QC 50880

The transfer balance cap applies from 1 July 2017. It is a limit on the total amount of superannuation that can be transferred into the retirement phase.

The transfer balance cap will start at $1.6 million. It will be indexed periodically in $100,000 increments in line with CPI. The amount of indexation you will be entitled to will be calculated proportionally based on the amount of your available cap space. If, at any time, you meet or exceed your cap, you will not be entitled to indexation.

You can continue to make multiple transfers into the retirement phase as long as you remain below the cap. All your account balances are included when working out this amount. It does not matter how many accounts you hold these balances in.

See also:

- Super changes – Frequently asked questions
- Your transfer balance account
- New taxation rules for defined benefit income streams
- Death benefit income streams, including child death benefit beneficiaries
- Excess transfer balance
- Transitional CGT relief for super funds
- Past webinars for self-managed super funds (SMSF)
- LCR 2016/9 Superannuation reform: Transfer balance cap

Death benefits

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/Death-benefits/
- Last modified: 28 Nov 2018

- QC 44997

If the rules of your super fund allow it, you can nominate the beneficiary for your super with your fund. This nomination may be non-binding or binding.

If a binding death benefit nomination is allowed, you can nominate one or more dependants and/or your legal personal representative to receive your super.

If a deceased person did not make a nomination (or it is a non-binding nomination), the trustee of the fund may:

- use their discretion to decide which dependant or dependants the death benefit is paid to
- make a payment to the deceased's legal personal representative (executor of the deceased estate) for distribution according to the instructions in the deceased's will.

If a non-binding nomination was made by the deceased, the trustee of the fund may:

- use their discretion to pay in accordance with the non-binding nomination
- make a payment to the deceased's legal personal representative (executor of the deceased estate) for distribution according to the instructions in the deceased's will.

If you are a dependant of the deceased, the death benefit can be paid as either a lump sum or income stream. If you are not a dependant of the deceased, the death benefit must be paid as a lump sum.

Contact your super fund to find out more on death benefit nominations.

Dependants of the deceased

Different rules exist for who is a dependant when making a super death benefit payment (superannuation law) and the resulting tax treatment (taxation law).

Super law sets out who a death benefit is payable to and taxation law sets out how the benefits will be taxed.

See also:

- Withdrawing your super and paying tax

How to apply

If you believe that you are the beneficiary of a deceased person's super or are the legal representative of a person's estate, you should contact their super fund to let them know that the person has died and ask them to release the person's super.

If the deceased had a credit balance of ATO-held super, refer to more information on withdrawing your ATO-held super.

See also:

- [Tax on death benefits]
- [Death benefit income streams and the transfer balance cap]

Early access to your super

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/Early-access-to-your-super/
- Last modified: 01 Jul 2020
- QC 23235

You can only have early access to your super in very limited circumstances.

Be aware that some promoters claim to offer early access to your super by transferring your super into a self-managed super fund. These schemes are illegal and heavy penalties apply if you get involved. For more information, refer to Illegal early release of super.

On this page:

COVID-19 early release of superannuation

If you're adversely financially affected by COVID-19, you may be eligible to access some of your superannuation early.

Eligible citizens and permanent residents of Australia and New Zealand can submit an application between 1 July 2020 and 24 September 2020 through ATO online services in myGov.

Applications for the 2019–20 financial year closed on 30 June 2020.

If you are eligible and applied for your COVID-19 early release of super in late June 2020, you may receive your money from your fund in the 2020–21 financial year. This will not affect your eligibility to apply this financial year.

Temporary residents are not eligible to apply for COVID-19 early release of super in the 2020–21 financial year.

It is important that you assess your eligibility accurately and honestly. We're here to help people in our community who are doing the right thing and we'll assist you if you make a genuine mistake.

Our role is also to ensure the integrity of the program and that payments get to those who need them. We're managing the eligibility criteria with strict guidelines, and will take action when we uncover fraud or people seeking to exploit the program.

Individuals will not need to pay tax on amounts released and will not need to include it in their tax return.

Temporary residents are not eligible to apply in the 2020–21 financial year.

Be aware of scams and schemes

We're concerned about scams or schemes where people:

- impersonate the ATO, or a trusted organisation like your super fund, to steal your money or personal identifying information
- contact you and charge for services that are free, like gaining early access to your superannuation.

If you receive a phone call, text message or email offering to help you release your super early, do not:

- provide your personal information
- click on any links.

You can contact us to confirm if an interaction is genuine.

See also:

- COVID-19 early release of super – information on eligibility and starting your application
- COVID-19 early release of super – integrity and compliance
- Temporary early release of superannuation

Access on compassionate grounds

You may be allowed to withdraw some of your super on compassionate grounds. Compassionate grounds include needing money to pay for:

- medical treatment and medical transport for you or your dependant
- palliative care for you or your dependant
- making a payment on a home loan or council rates so you don't lose your home
- accommodating a disability for you or your dependant
- expenses associated with the death, funeral or burial of your dependant.

See also:

- Early access on compassionate grounds

Access due to severe financial hardship

Severe financial hardship is not administered by the ATO. You need to contact your super provider to request access to your super due to severe financial hardship.

You may be able to withdraw some of your super if you meet both these conditions:

- You have received eligible government income support payments continuously for 26 weeks.
- You are not able to meet reasonable and immediate family living expenses.

If you withdraw super due to severe financial hardship it is taxed as a super lump sum.

The minimum amount that can be withdrawn is $1,000 and the maximum amount is $10,000. If your super balance is less than $1,000 you can withdraw up to your remaining balance after tax.

You can only make one withdrawal in any 12-month period.

If you have reached your preservation age plus 39 weeks and you were not gainfully employed when you apply, there are no cashing restrictions.

If your super provider requests evidence, contact the Services Australia to ask them to provide a letter confirming you have received eligible government income support payments continuously for 26 weeks or more.

There are no special tax rates for a super withdrawal because of severe financial hardship. It is paid and taxed as a normal super lump sum. If you are under 60 years old, this is generally taxed between 17% and 22%. If you are older than 60 years old, you will not be taxed.

See also:

- How to apply – early release of superannuation – Services Australia website
- How tax applies to your super

Access due to a terminal medical condition

You may be able to access your super if you have a terminal medical condition.

A terminal medical condition exists if all these conditions are met:

- Two registered medical practitioners have certified, jointly or separately, that you suffer from an illness or injury that is likely to result in death within 24 months of the date of signing the certificate.
- At least one of the registered medical practitioners is a specialist practising in an area related to your illness or injury.
- The 24-month certification period has not ended.

Contact your super fund to request access to your super due to a terminal medical condition.

Your fund must pay your super as a lump sum. The payment is tax-free if you withdraw it within 24 months of certification.

If your fund does not allow access due to a terminal medical condition, you may be able to move your super to a different fund.

If you are suffering from a terminal medical condition and you have super held by us you can either:

- ask your provider to claim this on your behalf
- claim it directly from us yourself.

Next steps:

- Apply online via myGov, see Online services for individuals and sole traders
- Download the paper form Application for payment of ATO-held superannuation money (NAT 74880)

See also:

- Access due to a terminal medical condition
- Consolidating super funds – on the Moneysmart website

Access due to temporary incapacity

You may be able to access your super if you are temporarily unable to work, or need to work less hours, because of a physical or mental medical condition.

This condition of release is generally used to access insurance benefits linked to your super account.

You will receive the super in regular payments (income stream) over the time you are unable to work. A super withdrawal due to temporary incapacity is taxed as a super income stream.

Contact your super provider to request access to your super due to temporary incapacity and to ask about insurance implications attached to your account.

There are no special tax rates for a super withdrawal due to temporary incapacity.

If you do not have access to insurance benefits as part of your super account, consider whether you would be eligible for access due to severe financial hardship.

See also:

- How tax applies to your super

Access due to permanent incapacity

You may be able to access your super if you are permanently incapacitated. This type of super withdrawal is sometimes called a 'disability super benefit'.

Your fund must be satisfied that you have a permanent physical or mental medical condition that is likely to stop you from ever working again in a job you were qualified to do by education, training or experience.

You can receive the super as either a lump sum or as regular payments (income stream).

A super withdrawal due to permanent incapacity is subject to different tax components. For you to receive concessional tax treatment, your permanent incapacity must be certified by at least two medical practitioners.

Contact your provider to request access to your super because of permanent incapacity.

To work out how your super payment will be taxed you need to know how much of the money in your super account is a:

- tax-free component
- taxable component the super provider has paid tax on (taxed element)
- taxable component the super provider has not paid tax on (untaxed element).

If you're under your preservation age and receive a disability benefit as an income stream, you will get tax offsets that reduce the tax rate on the taxed element of your taxable component by 15%.

If you have reached your preservation age or if you get a lump sum, your disability benefit will be taxed at the rates described in How tax applies to your super.

See also:

- Tax-free and taxable super

Super less than $200

You may be able to access your super if:

- your employment is terminated and the balance of your super account is less than $200
- you have found a 'lost super' account with a balance less than $200.

Contact your provider to request access. Check the eligibility criteria for withdrawing super from ATO-held accounts.

No tax is payable when accessing super accounts with a balance less than $200.

See also:

- ATO-held super
- Application for payment of ATO-held superannuation money (NAT 74880)

First home super saver scheme

To help you save for your first home, you can apply to release voluntary concessional (before-tax) and voluntary non-concessional (after-tax) contributions you have made to your super fund since 1 July 2017. You must meet the eligibility requirements to apply for the release of these amounts.

You can apply to have a maximum of $15,000 of your voluntary contributions from any one financial year included in your eligible contributions to be released under the FHSS scheme, up to a total of $30,000 contributions across all years. You will also receive an amount of earnings that relate to those contributions.

See also:

- First home super saver scheme

First home super saver scheme

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/First-Home-Super-Saver-Scheme/
- Last modified: 08 Apr 2020
- QC 54085

The First home super saver (FHSS) scheme was introduced by the Australian Government in the Federal Budget 2017–18 to reduce pressure on housing affordability.

The FHSS scheme allows you to save money for your first home inside your super fund. This will help first home buyers save faster with the concessional tax treatment of superannuation.

Note: Changes have been made to the First home super saver (FHSS) scheme. The changes apply retrospectively to valid FHSS release requests and contracts entered into on or after 1 July 2018. For further information on the changes, see Important changes to the First home super saver scheme.

On this page:

About the FHSS scheme

From 1 July 2017, you can make voluntary concessional (before-tax) and voluntary non-concessional (after-tax) contributions into your super fund to save for your first home.

From 1 July 2018, you can then apply to release your voluntary contributions, along with associated earnings, to help you purchase your first home. You must meet the eligibility requirements to apply for the release of these amounts.

You can use this scheme if you are a first home buyer and both of the following apply:

- You either live in the premises you are buying, or intend to as soon as practicable.
- You intend to live in the property for at least six months within the first 12 months you own it, after it is practical to move in.

You can apply to have a maximum of $15,000 of your voluntary contributions from any one financial year included in your eligible contributions to be released under the FHSS scheme, up to a total of $30,000 contributions across all years. You will also receive an amount of earnings that relate to those contributions.

Important things to know

There are a number of important things you need to know if you plan to use the FHSS scheme:

- You must apply for and receive a FHSS determination from us before signing a contract for your first home or applying for release of your FHSS amounts.
- You need to make sure you correctly enter each of your eligible contributions into the FHSS determination form, do not total the contributions.
- Superannuation guarantee contributions made by your employer, and spouse contributions cannot be released under the FHSS scheme.
- If you make an error in your FHSS determination you can correct this by requesting another determination, provided you have not signed a contract or requested a release.
- If you provide incorrect information in your FHSS determination and later request a release based on that incorrect information, it is likely that your request will be cancelled and any FHSS money will be returned to your super fund.
- You can only request a release under the FHSS scheme once. If your release request is cancelled, you will not be able to apply again in the future.
- You should request the release of your FHSS amounts around the same time you start your home buying activities – for example, when you apply for a home loan.
- The home you purchase or construct must be located in Australia.
- If you've already received a determination and signed your contract to purchase or construct your home, you must make a valid release request within 14 days of entering into that contract.
- You can also sign your contract after you make a valid release request. You have 12 months from the date you make a valid release request to notify us if

you have signed a contract to purchase or construct your home, or recontributed the required amount to your super fund (see information below)
- After you have requested the release, it may take between 15 and 25 business days for you to receive your money.

Who is eligible

You can start making super contributions from any age. However, you must be 18 years old or older to request a determination or a release of amounts under the FHSS scheme.

Also, you must have:

- never owned property in Australia – this includes an investment property, vacant land, commercial property, a lease of land in Australia, or a company title interest in land in Australia (unless the Commissioner of Taxation determines that you have suffered a financial hardship)
- not previously requested the Commissioner to issue a FHSS release authority in relation to the scheme.

Eligibility is assessed on an individual basis. This means that couples, siblings or friends can each access their own eligible FHSS contributions to purchase the same property. If any of you have previously owned a home, it will not stop anyone else who is eligible from applying.

Financial hardship provision

You may still be eligible even if you have previously owned property in Australia, if we determine that you have suffered a financial hardship that resulted in a loss of ownership of all property interests. The types of events that could result in the loss of property interests include:

- bankruptcy
- divorce, separation from a de-facto partner, or a relationship breakdown
- loss of employment
- illness
- being affected by a natural disaster
- being eligible for early access to superannuation.

How to apply for financial hardship

If you want to be considered under the financial hardship provision you can apply either:

- online using your myGov account linked to our online services or
- by completing a *First home super saver scheme – hardship application form*.

You should apply before you start saving, so that we can determine if the hardship provision applies to you.

You must provide evidence with your application that demonstrates the link between the loss of your property and your hardship event.

If we accept that you have suffered a financial hardship, you must also meet the following at the time you lodge your *First home super saver scheme – determination form*:

- You must not have acquired a subsequent interest in real property in Australia since you lost the property as a result of financial hardship.
- You must be 18 years old or older.
- You must not have previously requested a release of FHSS amounts.

See also:

- First home super saver scheme hardship application form

How you can save in super

You can start saving by entering into a salary sacrifice arrangement with your employer to make voluntary contributions or by making voluntary personal super contributions.

You can contribute into any super fund(s) although contributions made to a defined benefit interest or a constitutionally protected fund will not be eligible to be released under the FHSS scheme.

Note: Some employers may not offer salary sacrifice arrangements to their employees.

Before you start saving you should:

- check that your nominated super fund(s) will release the money
- ask your fund about any fees, charges and insurance implications that may apply
- check that your super fund has your current contact details – ensure your name matches what we have
- be aware that if you receive FHSS amounts, it will affect your tax for the year in which you make the request to release. You will receive a payment summary and you will need to include both the assessable and tax-withheld amounts in your tax return.

If you want to be considered under the financial hardship provision then you should ask us to determine if the financial hardship provision applies to you before you start saving.

Eligible contributions

You can make the following existing types of contributions towards the FHSS scheme:

- voluntary concessional contributions – including salary sacrifice amounts or contributions for which a tax deduction has been claimed, these are usually taxed at 15% in your fund
- voluntary non-concessional contributions that you have made – these are made after tax or if a tax deduction has not been claimed.

You can contribute up to your existing superannuation contribution caps. Having amounts released under the FHSS scheme does not affect the calculation of your concessional or non-concessional contributions for contributions cap purposes. Your contributions still count towards your contribution caps for the year they were originally made.

Certain Kiwisaver and other foreign fund transfer amounts are eligible contributions for calculating your maximum FHSS release amounts. For more information see GN 2018/1 *First home super saver scheme*.

Ineligible contributions

You can't include contributions in your FHSS determination that were made by your employer or anyone else on your behalf – for example, superannuation guarantee amounts and spouse contributions.

If you include any of these amounts in your FHSS determination your request will be cancelled, and you will not be eligible to apply under FHSS in the future.

See also:

- Contributions caps
- Adding to your super

Making your contributions

When you make voluntary contributions into super, the order and type of the contributions can make a difference to the amount released under the FHSS scheme.

You can withdraw, taking into account the yearly and total limits:

- 100% of your non-concessional (after-tax) amounts
- 85% of concessional (pre-tax) amounts.

There are rules about which contributions will be included in your release amount, based on when the contribution was made and whether it is concessional or non-concessional.

These 'ordering rules' are designed to maximise the amount available to you for release, without requiring you to make specific elections about which contributions should be eligible. They also have a flow-on effect on the calculation of associated earnings and the taxation of released amounts.

How your contributions are ordered

We will apply ordering rules when you apply for a FHSS determination to calculate your FHSS maximum release amount. You don't have to do the calculations yourself.

Your contributions are counted towards your release amounts as follows:

- A first-in first-out rule applies – this means that contributions you make in an earlier financial year are counted before contributions in a later financial year. Contributions you make within a financial year are counted in the order you make them.
- A simultaneous contributions rule applies – this means that if you make an eligible concessional contribution and an eligible non-concessional contribution at the same time (for example, in the same payroll process), your non-concessional contributions are taken to be made first.
- If you make your contributions within a financial year and you claim a deduction for some or all of the contributions, the resulting eligible non-concessional contributions (if any) are taken to be made before any eligible concessional contribution.

Applying to release your savings

You can check your balance with your super fund(s) at any time to see how much you have saved. This will help you keep track of the maximum FHSS amounts you can have released.

When you are ready to receive your FHSS amounts, you need to apply to us for a FHSS determination and a release.

You can sign your contract to purchase or construct your home either:

- from the date you make a valid request to release your FHSS amounts
- before making a valid request to release your FHSS amounts.

If you sign your contract to purchase or construct your home before making a valid request to release FHSS amounts, you'll need to:

- have an FHSS determination before you sign
- make a valid release request within 14 days of entering that contract.

If you already have a FHSS determination and have signed a contract then you cannot request a new determination and must request the release of your FHSS amounts within 14 days of signing the contract.

Maximum release amount

The FHSS maximum release amount is the sum of your eligible contributions, taking into account the yearly and total limits, and associated earnings. This amount includes:

- 100% of eligible non-concessional contributions
- 85% of eligible concessional contributions
- associated earnings calculated on these contributions using a deemed rate of return – this is based on the 90-day Bank Bill rate plus three percentage points (shortfall interest charge rate).

The FHSS maximum release amount takes into account the $15,000 limit from any one year and $30,000 total limit to the total contributions across all years when calculating the eligible contributions, before adding the associated earnings.

See also:

- Shortfall interest charge (SIC) rates

Requesting a determination

To withdraw your voluntary super contributions under the FHSS scheme, you need to request a FHSS determination from us. Apply online using your myGov account linked to our online services.

When you apply for a FHSS determination we will tell you your maximum FHSS release amount.

You can't include contributions in your FHSS determination that were made by your employer or anyone else on your behalf – for example, superannuation guarantee amounts.

Make sure each contribution is eligible, we will check if it matches contributions reported to us by your super fund. You may be required to provide evidence of your contributions prior to us releasing your FHSS amounts to you.

Your FHSS request may be cancelled if you provide incorrect information, and you will not be able to apply under the FHSS scheme in the future. Any money your super fund has sent to us will be returned.

You can request a determination on more than one occasion.

Note: If you already have a FHSS determination and have signed a contract before making a valid release request, you have 14 days to request a release of your FHSS amounts. You are not eligible for a new determination.

If you have signed your contract more than 14 days before you request the release of your FHSS amounts then you will be subject to FHSS tax.

You can then decide to apply for a release of your amounts if you are ready to purchase your home. Be aware that you:

- can only apply for a release once
- must confirm as part of your release application that you will not claim further tax deductions on the non-concessional contributions included in the determination.

Requesting the release of your savings

Before you request a release of your savings, you should:

- check that you have made all of the voluntary FHSS contributions you want to make
- ensure that the information you have provided in your determination is correct, otherwise your request may be cancelled and you will not be able to apply for a release under the FHSS scheme in the future. Any money sent to us by your super fund will be returned.

- make sure that you agree with the amounts shown in the FHSS determination. If not, you need to resolve any issues through our standard review processes for determinations before you apply for a release.

You can request a release of the FHSS maximum release amount stated in the FHSS determination, or choose a lower amount. Apply online using your myGov account linked to our online services.

Once you have requested a release you can't request another one, even if you have requested an amount less than your FHSS maximum release amount.

See also:

- Decisions you can object to and time limits
- How to object to a decision

Receiving your amount

We will issue a release authority to your super fund(s) requesting they send your FHSS release amounts to us.

Before we send the balance of the released amount to you we will:

- withhold the appropriate amount of tax
- offset the remaining amount against any outstanding Commonwealth debts.

In most cases, it will take between 15 and 25 business days for your fund to release your money and for us to pay it to you.

A payment summary will be sent to you at the end of the financial year. It will show your assessable FHSS released amount, which is comprised of:

- concessional contributions
- associated earnings on both concessional and non-concessional contributions.

You need to include this amount in your tax return for the financial year you request the release. The tax payable on this assessable amount will receive a 30% tax offset.

Withholding tax

When we receive your released amounts, we will withhold tax that will be calculated at either:

- your expected marginal tax rate, including Medicare levy, less a 30% offset
- 17% if the Commissioner is unable to estimate your expected marginal rate.

The amount of tax withheld is calculated on your assessable FHSS released amounts and will help you meet your end of year tax liabilities. When you lodge your tax return we will know your actual marginal tax rate for the year that you requested the release and will recalculate your tax liability on the released amount. We will take into account the tax that has already been withheld in respect of your assessable FHSS released amount, together with the 30% tax offset.

Your payment summary show the amount of tax withheld.

Completing your tax return

You must include the assessable FHSS released amount shown on your payment summary as assessable income in your tax return for the year you request the release. You will also need to include the tax withheld amount so you pay the correct amount of tax.

For example, if you request a release of FHSS amounts on 30 June 2019, include the amount in your 2018–19 tax return. This is even though you won't receive the released amount until July 2019.

We will only issue your payment summary once all your FHSS amounts have been paid to you. This could be several weeks after the end of the financial year.

Family tax benefit and child support

Your assessable FHSS released amount is not included in your assessable income for calculating family assistance and child support payments. These amounts were included in prior years, so this will prevent double counting.

Study and training support loans

If you make salary sacrifice contributions into super, they will be a reportable employer super contribution in that income year. These contributions continue to be included in your repayment income for study and training support loans and the repayment of these loans.

You will need to review your pay as you go (PAYG) withholding arrangements with your employer. This will help make sure the tax they withhold from your salary, wages and other income during the year is enough to cover the amount you are liable to pay.

When you withdraw contributions under the FHSS scheme they will not be part of your repayment income in the year you request the withdrawal of your super contributions under the FHSS scheme.

Study and training support loans can include:

- Higher Education Loan Program (HELP)
- Student Start-up Loan (SSL) and ABSTUDY SSL schemes
- Trade Support Loans (TSL) program
- Student Financial Supplement Scheme (SFSS).

See also:

- Types of loans

FHSS scheme and other state government concessions

The FHSS scheme is separate to other concessions offered by state governments.

If you want to access state government concessions as a first home buyer then you will need to check with the relevant state government authority to confirm that you meet the eligibility criteria for each concession.

After your savings have been released

Once your savings have been released, you have up to 12 months (or other period allowed) from the date you requested the release of FHSS amounts to sign a contract to purchase or construct a home.

The contract you enter into has to be for a residential premises located in Australia. It cannot be any of the following types of property:

- any premises not capable of being occupied as a residence
- a houseboat
- a motor home
- vacant land (see note).

Note: If you purchase vacant land to build a home on, it is the contract to construct your home that must be entered into to meet the FHSS scheme requirements. The contract to construct that home must be entered into within 12 months (or other period allowed) from the date you requested a release. In this situation you must not have purchased the vacant land before applying for a FHSS determination.

You must genuinely intend to occupy the property as a home, and demonstrate this by:

- occupying or intending to occupy the property as soon as practicable after purchase
- occupying or intending to occupy the property for at least six of the first 12 months from when it is practicable to occupy it.

If you do not sign a contract to purchase or construct a home within 12 months from the date you requested a release you can either:

- we will grant you an extension of time to do so for a further 12 months. There is no need to apply for this extension, it will be automatically granted to you and we will notify you of this
- you can recontribute an amount into your super fund(s). This amount must be a non-concessional contribution and be at least equal to your assessable FHSS released amount, less any tax withheld. This amount is stated in your payment summary, and may be less than the total amounts released to you
- you can keep the released amount and be subject to FHSS tax. This is a flat tax equal to 20% of your assessable FHSS released amounts and not the total amount released.

Notification requirements

If you sign a contract to purchase or construct your home you must notify us within 28 days of signing the contract.

If you recontribute the assessable FHSS amount (less tax withheld) into your super fund, you must notify us within 12 months of the date you request the release of your FHSS money.

If you don't notify us that you have done one of the above or you choose to keep the FHSS amount, you may be subject to the FHSS tax.

You can notify us using your myGov account linked to our online services.

See also:

- GN 2018/1 *First home super saver scheme*

Tax on benefits

- https://www.ato.gov.au/Individuals/Super/Withdrawing-and-using-your-super/Tax-on-benefits/
- Last modified: 05 May 2020
- QC 23237

How tax applies to your super benefits depends on a number of factors, such as your age and whether your super comes from a taxed or untaxed source.

The tax treatment of both super and death benefits is also affected by whether the benefits are paid as:

- a lump sum, or
- an income stream – that is, regular payments paid from an account-based income stream or a capped defined benefit income stream.

On this page:

- Tax on withdrawing your super
- Tax on death benefits
- Taxation of military invalidity benefits – appeal

Tax on withdrawing your super

The rate at which your super benefits are taxed will depend on several factors, including:

- your preservation age and the age you will be when you get the payment
- whether the money in your super account is taxable or tax-free
- whether you will get the payment as an income stream or a lump sum
- the type of income stream.

These factors determine whether you:

- pay tax on the withdrawal (for example, whether it is taxable income)
- get tax offsets that reduce the amount of tax you pay.

Generally, your super benefits will include both a tax-free and a taxable component.

See also:

- How tax applies to your super – in detail
- Accessing your super
- Transfer balance cap - capped defined benefit income streams

Tax on death benefits

The tax on a death benefit depends on:

- whether you were a dependant of the deceased
- whether it is paid as a lump sum or an income stream
- whether the income stream is an account-based or a capped defined benefit income stream
- whether the super is taxable or tax-free, and whether the super fund has already paid tax on the taxable component
- your age and the age of the deceased person when they died.

If you are a dependant of the deceased, you do not need to pay tax on the taxable component of a death benefit if you receive it as a lump sum. If you receive the benefit as an income stream, different rates of tax may apply depending on the factors mentioned above.

If you're not a dependant of the deceased, you can only receive the benefit as a lump sum. The taxable component of the payment will be entitled to a tax offset that ensures the rate of income tax is as follows:

- taxed element – maximum of 15% plus Medicare levy
- untaxed element – maximum of 30% plus Medicare levy.

See also:

- Super death benefits
- Medicare levy

Taxation of military invalidity benefits – appeal

The ATO has appealed to the Full Federal Court against the Administrative Appeals Tribunal decisions in the matters of Douglas v Commissioner of Taxation [2020] AATA 494, Burns v Commissioner of Taxation [2020] AATA 671, and GDGR v Commissioner of Taxation [2020] AATA 766.

The litigation relates to whether invalidity benefits paid by the Defence Force Retirement and Death Benefits (DFRDB) Scheme and the Military Superannuation and Benefits (MSB) Scheme are taxed as superannuation income stream benefits or as superannuation lump sums.

What this means for you

Until the appeals process is completed, we will continue to administer the taxation of invalidity benefits paid by the DFRDB Scheme and the MSB Scheme in line with our current view that the invalidity benefits are superannuation income stream benefits.

If you are affected by these decisions, we recommend you wait until the appeals process has been completed before:

- seeking amendments
- applying for a private ruling, or
- objecting to your income tax assessments.

Note: You can lodge an amendment request or an objection at a later time.

The PAYG withholding tax rate for superannuation income stream benefits apply to invalidity benefits paid by the DFRDB Scheme and the MSB Scheme.

If you're receiving invalidity benefits from the DFRDB Scheme or the MSB Scheme, you will need to declare this as superannuation income stream benefits in your income tax returns.

See also:

- Treatment of military invalidity benefits following Administrative Appeals Tribunal decisions

Temporary residents and super

- https://www.ato.gov.au/Individuals/Super/Temporary-residents-and-super/
- Last modified: 28 Nov 2018
- QC 23236

Superannuation (or 'super') is a form of saving for retirement in Australia.

When you visit and work in Australia, your employer may be required to make super contributions to a super fund on your behalf.

When you leave Australia, you may be eligible to claim that super back as a departing Australia superannuation payment (DASP). There are requirements you will need to meet to claim your DASP.

Your DASP is taxed before you receive it. The DASP tax rate is different for working holiday makers (WHM). If you hold (or held) a 417 (Working Holiday) or 462 (Work and Holiday) visa you are classified as a WHM.

The video below will show how you can claim DASP:

Media: Don't leave your money behind
https://tv.ato.gov.au/ato-tv/media?v=bd1bdiubw6r78t (Duration: 1:23)

Next step:

- Use our Am I entitled to super tool

Find out about:

- Departing Australia superannuation payment (DASP)
- Coming to Australia
- Trans-Tasman retirement savings portability scheme for individuals
- Department of Home Affairs

See also:

- Getting your super started
- Growing your super
- Withdrawing and using your super

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.