

Fact sheet



FOR MEMBERS

Super Co-contribution

Making voluntary contributions to your super can boost your balance in more ways than one. You may even qualify for a bonus top up from the Government.

WHAT IS THE SUPER CO-CONTRIBUTION?

The Government's super co-contribution is an initiative to help you save for retirement. If you are eligible and make personal non-concessional (after-tax) super contributions, you will receive a bonus contribution to your super from the Government. This bonus is called a super co-contribution.

AM I ELIGIBLE TO RECEIVE A CO-CONTRIBUTION?

You will be eligible for the super co-contribution in a year of income if:

- You make personal super contributions to your account by 30 June;
- Your 'total income' (assessable income plus reportable fringe benefits) is less than \$53,564 (this may be different from your taxable income, for example money you have salary sacrificed is still counted in your total income even though you don't pay income tax on it);
- 10% or more of your total income is from eligible employment, running a business or a combination of both;
- You do not hold an eligible temporary resident visa at any time during the financial year, unless you are a New Zealand citizen or holder of a prescribed visa;
- You have a total super balance less than the transfer balance cap of \$1.6 million;
- You have not contributed more than your non-concessional contributions cap;
- You lodge an income tax return for the relevant financial year;
- You are less than 71 years old at the end of the relevant financial year.

Remember, a personal contribution must come directly from you. If your spouse makes a contribution to your account it will not attract a co-contribution.

HOW MUCH WILL I RECEIVE FROM THE GOVERNMENT?

If your total income for co-contribution purposes is \$39,837 or less for the 2020/21 financial year, you can receive a contribution from the Government of up to \$500 tax-free. The Government will give you \$0.50 for every dollar you put in, up to this maximum amount.

For each dollar you earn more than \$39,837, the maximum co-contribution progressively reduces, and becomes nil when you earn \$54,837 or more.

For an estimate of your super co-contribution entitlement and eligibility visit, try the Super Co-contribution Calculator on the Australian Tax Office (ATO) website at www.ato.gov.au

IT'S SIMPLE TO QUALIFY FOR THE SUPER CO-CONTRIBUTION

Making Contributions

You can make a personal contribution to VISSF as a lump sum, or have regular deductions made from your pay.

For one-off personal after-tax contributions simply visit www.vissf.com.au and log in to Member Online to access your BPAY details. For regular deductions contact your Payroll or Human Resources department.

Concessional (before-tax) contributions are not counted for co-contribution purposes.

You don't need to apply for the co-contribution

You don't need to complete any applications to receive your co-contribution. VISSF will report the personal contributions you make to the ATO for you, and if you are eligible, the ATO will send your co-contribution to your account automatically.

Your co-contribution will be made after you submit your tax return for the year.

If you have changed super funds, or have more than one super account, the ATO may send your co-contribution to your other super fund.

If your account has been closed, there could be a delay in the allocation of your co-contribution. To make sure this doesn't happen, you can complete a Superannuation Fund Nomination Form. This form allows you to nominate VISSF as the super fund you want your co-contribution to be allocated to. The ATO will then send your co-contribution directly to us. The nomination form is available at www.ato.gov.au/super or by calling the ATO on 13 10 20.

Low Income Superannuation Tax Offset (LISTO)

If you are eligible for the government co-contribution then you may also be eligible for the Low Income Superannuation Tax Offset (LISTO).

The LISTO is 15% of the total concessional (before-tax) contributions you or your employer pays into VISSF.

If you are on a taxable income up to \$37,000, you may get a refund from the Government of up to \$500 for the contributions tax deducted from your concessional (before-tax) contributions.

The ATO will calculate how much you will be refunded and this amount will be paid directly into your super account.

To check if you are eligible and to see how the LISTO is calculated, visit www.ato.gov.au

ADVICE ON CALL

As a VISSF member, you can access bite size pieces of financial advice on an extensive range of topics - at no cost, over the phone.

Getting Started

For those just getting started with their money management, these might include:

- Finding lost super
- Consolidating your accounts
- Making an investment choice
- Your contribution options

While retirement may seem like a distant concern, taking some easy, simple steps now can turbocharge your future wealth.

Building More

You don't have to be earning a lot of money to grow your wealth. Our experts can advise you on:

- Choosing the right investment option
- Ways to make extra contributions
- How to save on tax and grow your money
- Protecting your wealth using insurance

Whatever your situation, we want you to feel secure and confident about doing more to build your future wealth.

Retire Ready

Preparing for retirement can be daunting, but it's never too early to start planning. Here's how we can help.

- Work out how much you will need
- Explore your retirement options
- Learn how to set up a regular income stream
- Understand your risk tolerance
- Make the right investment choice

If retirement is on your radar, the earlier you start planning the more likely you are to retire on your terms.

Call 1300 660 027 to take advantage of our phone based financial advice services for members.

NEED HELP?

Call us on 1300 660 027

Website: www.vissf.com.au

Email: super@vissf.com.au

We're available between 8am and 5pm, weekdays. If you need to get in touch outside this time, email is the best way.

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