

# Fact sheet



FOR MEMBERS

## Contribution Limits

There are limits that restrict the amount you can contribute to super in any particular year before incurring additional tax. These limits apply to both concessional (before-tax) contributions and non-concessional (after-tax) contributions.

### WHAT ARE CONCESSIONAL CONTRIBUTIONS?

These contributions are made before tax is taken out of your salary. They include Super Guarantee (SG) contributions made by employers\*, personal contributions (for which you can claim a tax deduction) and salary sacrifice contributions.

Concessional contributions are taxed at a lower 'concessional' rate of 15%. If your employer subsidises any administration costs or pays insurance premiums on your behalf, these amounts also count towards your concessional contribution limit.

### WHAT ARE NON-CONCESSIONAL CONTRIBUTIONS?

These are generally contributions you make to your super after tax has already been paid.

Members over the age of 75 may not make contributions.

It's important to note, if you have \$1.6 million or more in the super system as at 30 June in the previous financial year, you will no longer be able to make non-concessional contributions.

### WHAT IS THE WORK TEST?

To make a non-concessional contribution you must be under age 65. Or, if you are between 65 and 74, you need to meet a 'work test' of 40 hours gainful employment within a 30 day period in the financial year in which you contribute.

### WHAT HAPPENS IF I GO OVER MY LIMIT?

If your contributions are over your limit, you will be liable to pay more tax. Only the amount above the relevant limit is charged this additional tax. For example, if you contributed \$5,000 more than the limit, extra tax would be charged on this \$5,000.

Any concessional contributions which exceed the limit will be taxed at your marginal tax rate (including the Medicare Levy), plus an excess concessional contributions (ECC) charge. Excess concessional contributions will also be counted towards your non-concessional contribution limit. Any non-concessional contributions which exceed the limit will be taxed at 47% (including the Medicare Levy).

It's up to you to monitor your contributions. It's also important to remember that this is a total combined limit, so if you are contributing to more than one super fund you still have the one set of limits to adhere to.

## HOW CAN I KEEP TRACK OF MY CONTRIBUTIONS?

You can monitor your contributions via Member Online or using the VISSF App. It is important not to use your payslip to track these contributions, because it will not take into account when your contributions arrive in the Fund. For example, a contribution deducted from your pay in June

may not arrive in your VISSF account until July, which is in a different financial year.

To track your contributions, visit [www.vissf.com.au](http://www.vissf.com.au) and login to Member Online. Then click on Your Account tab followed by Transaction History. You can see this financial year's:

- amounts contributed by your employer
- salary sacrifice contributions and other concessional amounts and
- non-concessional contributions.

You can also see totals for the previous year.

Alternatively, you can call our Client Services Team to find out how much you have contributed if you're unsure.

## WHAT ARE THE LIMITS FOR 2018/19 FINANCIAL YEAR?

CONCESSIONAL CONTRIBUTIONS	NON-CONCESSIONAL CONTRIBUTIONS
Limited to \$25,000 a year.	Limited to \$100,000 a year.
<p>Concessional contributions include both employer contributions (including SG and salary sacrifice contributions), and personal contributions for which a tax deduction has been claimed.</p> <p>Any contributions in excess of this limit will be taxed at the individual's marginal rate (including the Medicare Levy), plus an excess concessional contributions (ECC) charge. These contributions will also be counted towards your non-concessional contribution limit.</p>	<p>Depending on your total super balance, if you're aged under 65, you may be able to bring forward two years of contributions giving you a total non-concessional cap of \$300,000 for the three years. Where a bring-forward has been triggered, the two future years' entitlement are not indexed.</p> <p>From 1 July 2017, the bring-forward amount and period is dependent on your total super balance and the financial year in which you triggered the bring-forward.</p> <p>For example, if you triggered the bring-forward on 15 March 2016 (when non-concessional contributions were \$180,000 a year) and had not fully utilised your bring-forward cap, your bring-forward cap for three years will be \$380,000.</p> <p>Any contributions made in excess of this limit will be taxed at 47% (including the Medicare Levy). If you want some help to work out your relevant limit, please call us.</p> <p>Important: If you have \$1.6 million or more in the super system as at 30 June in the previous financial year, you will no longer be able to make non-concessional contributions.</p>

## NEED ADVICE?

Discover the difference expert advice can make to your super and retirement options.

As a VISSF member, you can now access an extensive range of advice services.

### Simple advice

We offer an over the phone advice service designed to answer quick questions about your super savings or retirement - at no cost. You don't even need to leave the comfort of your home.

### Retirement advice

Perhaps you'd like to know more about contribution strategies or want to find out how to top up your income as you reduce your work hours. Our team is here to come up with a solution to meet your needs. What's more, we'll pay for this advice.

### Comprehensive advice

If you want to adopt a more holistic approach to managing your finances, we can set you up with a financial planner. The first meeting is complimentary. It's worth exploring, especially if you want to make sure you've left no stone unturned.

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

## HAVE ANY QUESTIONS?

Call us on 1300 660 027

Website: [www.vissf.com.au](http://www.vissf.com.au)

Email: [super@vissf.com.au](mailto: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.

### Postal Address

GPO Box 4974

Melbourne VIC 3001