

What is the co-contribution?

The co-contribution legislation means that the Government will match non-concessional (after-tax) contributions made by qualifying low income earners to a complying superannuation fund.

Who is entitled to a co-contribution?

To qualify for the Government co-contribution, you must satisfy the following criteria:

- ✓ You make a personal contribution to a complying super fund before 30 June in the relevant year. The contribution must be made from your own after tax money. Employer contributions and salary sacrifice contributions do not qualify for the co-contribution;
- ✓ You lodge an income tax return for the financial year;
- ✓ Your assessable income and reportable fringe benefits are less than \$61,920 in the financial year;
- ✓ You are not a temporary resident,
- ✓ 10% or more of your total income is from eligible employment;
- ✓ You are less than 71 years old at the end of the financial year in which the contribution was made.

How is the co-contribution calculated?

The amount of the co-contribution is dependant on the income earned during the financial year of the contribution, and the amount of personal contributions made to the fund.

The maximum co-contribution is \$1,000, and is available in full to those on incomes of \$31,920 or less. The maximum amount is reduced by 3.33 cents in the dollar for every dollar of income earned over \$31,920 up to \$61,920 at which point the co-contribution phases out completely.

How do I apply?

You don't need to. Providing you lodge your tax return, the ATO will calculate this on your behalf and remit the amount payable to your super fund. The ATO will send you a letter to confirm that the co-contribution has been forwarded to your superannuation fund.

Assessable income plus reportable fringe benefits	After tax contribution made to super fund	Maximum co-contribution payable
Up to \$31,920	\$1,000	\$1,000
\$40,000	\$1,000	\$731
\$50,000	\$1,000	\$397
\$60,000	\$1,000	\$64
\$61,920 & above	Not applicable	Not applicable

If you have any questions regarding the co-contribution please call us on 02 9913 9995.