Contributions

Super is one way of investing that gives you a range of benefits. And one of the major advantages of super is the tax benefits for saving that are not available elsewhere. Below we explain each type of contribution you can make, the limitations on each, and other important information that will help you grow your super.

Employer contributions

If you're eligible for compulsory super guarantee (SG) contributions, your employer must pay them into a complying super fund.

Generally, you're entitled to super guarantee contributions from an employer if you're 18 years old or over and paid $450 or more (before-tax) in a month. It doesn't matter whether you're full time, part time or casual, and it doesn't matter if you're a temporary resident of Australia.

If you're under 18 you must meet these conditions and work more than 30 hours per week to be entitled to super contributions. 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.

If you're eligible for super guarantee contributions, at least every three months your employer must pay into your super account a minimum of 9.5% of your ordinary time earnings, up to the 'maximum contribution base'. These contributions are in addition to your salary or wages.

The SG rate will remain at 9.5% until 1 July 2021, when it will increase to 10%.

Other contributions

You can contribute to your own super and you may be eligible for government contributions.

Concessional (before-tax) contributions

Concessional contributions are sometimes called 'before-tax contributions' because the contributor can usually claim an income tax deduction. They include:

- Compulsory super guarantee contributions made by your employer;
- Salary sacrifice contributions;
- Any personal contributions you notify your fund you intend to claim as an income tax deduction.
- Employer matching contributions.

Concessional contributions are taxed 15% in the super fund.

Non-concessional (after-tax) contributions

Non-concessional contributions are generally the after-tax contributions you make to a super fund. They include personal contributions you make from your after-tax pay.

Personal contributions

You can boost your super by adding your own contributions to any contributions an employer may be making for you. Personal contributions are non-concessional or ‘after-tax’ contributions unless you have claimed a tax deduction for them. If you’re an employee you generally can’t claim a tax deduction for personal super contributions, though you may be eligible for a super co-contribution.

Government super contributions

You may be eligible for either the super co-contribution or the low income super contribution or both, which means the Australian Government also contributes to your super account.

Salary sacrificing super contributions

You can enter an agreement with your employer to have some of your salary or wages paid into your super fund instead of to you. This may have tax advantages for you because the standard 15% tax on super is probably less than the tax you would have paid if you had taken the money as salary.

Spouse contributions

WA Super can accept contributions from your after-tax salary for your spouse. You may be able to claim an 18% tax offset on super contributions of up to $3,000 you make on behalf of your non-working or low-income-earning spouse. See www.ato.gov.au for eligibility criteria.

Contribution eligibility

The table below details the criteria upon which WA Super is able to accept contributions.

Condition	Contributor

	Member personal	Employer mandated	Employer non-mandated	Spouse or other
Work test*	Yes	No	Yes	Yes
Age limit	75	None	75	70
TFN required	Yes	No**	No**	Yes

**Work test: For members aged 65 or more at the time of contribution, the member must have been gainfully employed for at least 40 hours in no more than 30 consecutive days in a financial year. The work test must be met prior to the contribution being made.*

*** Please note that if we do not have your tax file number, we can still accept employer contributions and salary sacrifice, however, those contributions will be subjected to a further 32% tax, which means that these concessional contributions will effectively be taxed at 49%.*

Contribution limits

The government has imposed limits on the amount you can contribute to your superannuation account. These are known as concessional and non-concessional contributions caps.

Concessional contributions include employer contributions (SG and any extra employer amount), salary sacrificed contributions and personal deductible contributions.

For the 2017-2018 financial year, the concessional contributions cap is $25,000 for everyone.

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For 2017-18 and later years, if you exceed your concessional contributions cap the excess contributions are included in your taxable income. You will receive a non-refundable tax offset equal to the 15% tax paid by your fund on this amount.

Non-concessional contributions are contributions made from after-tax money. The non-concessional contribution cap is $100,000 per year effective from 1 July 2017. If you are under age 65 you can contribute up to $300,000 in one year by bringing forward two years of contributions. You then cannot make another non-concessional contribution for two years. If you exceed your non-concessional contributions cap a tax of 49% applies to the excess.

If you have previously triggered the bring-forward rule in either the 2015-2016 or 2016-2017 financial years your total non-concessional contributions will apply as per the below table.

Year bring-forward period started	Maximum bring-forward amount in 2017–18
2015–16	$460,000
2016–17	$380,000
2017–18	$300,000

How to make extra contributions

To make spouse contributions, salary sacrifice contributions or additional after-tax contributions deducted directly from your pay, simply ask your employer. To make one off or periodic personal contributions under $10,000 use BPAY. To obtain your BPAY details, login to the secure member online section to access your account or contact us.

Members wanting to make a post-tax contribution before year end via BPAY will need to do so prior to 5.00pm Tuesday 27 June 2017 to ensure it is counted in this financial year.

For larger one off lump sum contributions please contact us for direct transfer details or you can send us a cheque.

Contribution splitting

Contribution splitting is another way to boost your spouse's account balance. Restrictions do exist, however.

The maximum amount of taxed splittable contributions you can apply to split is the lesser of 85% of the concessional contributions for that financial year and the concessional contributions cap for that financial year.

Contributions that can't be split include:

- Rollovers from Australian super funds or from overseas pensions;
- Previous split contribution amounts;
- Employment termination payments;
- Amounts split or flagged under Family Law arrangements; and
- Non-concessional contributions.

All splits incur a Benefit Payment Fee of $80. Call us for more information, or complete a Contribution Splitting Form located on the ATO website. Forms must be submitted before the end of the financial year following the one when the relevant contributions were made.

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