

New Superannuation Contribution Caps

We wish to advise that there have been changes to the thresholds that apply in relation to superannuation contributions made in the 2009/10 and future years. The new contribution caps are as follows:

Concessional Contributions Cap

Age of Member	Concessional Contributions
Under 50	\$25,000
Over 50	\$50,000

Concessional contributions include:

Employer contributions including:

- Compulsory super guarantee contributions
- Any additional voluntary contributions your employer may make
- Any fund costs paid by your employer on behalf of your super fund, such as administration fees and insurance premiums
- Salary sacrifice amounts

Personal contributions claimed as a tax deduction by a self-employed person

If these amounts are exceeded the implications can be costly. The superannuation fund will pay an extra 31.5% tax on the excess contributions (in addition to the 15% paid). This means that all contributions exceeding the threshold will be taxed at 46.5%.

Non-Concessional Contributions Cap

Age of Member	Concessional Contributions
Under 50	\$150,000
Over 50	\$150,000

Non-Concessional contributions include:

- Personal contributions for which you do not claim an income tax deduction
- Contributions your spouse makes to your super fund
- Amounts transferred from foreign funds
- Contributions made when the balance of your First Home Saver Account (FHSA) is transferred to your super account

Although this threshold remains the same as previous years, any excess concessional contributions will count towards the non-concessional contributions cap. If you have reached the limit on your non-concessional cap and you exceed your concessional cap you will be taxed an additional 31.5%. In effect the fund could end up paying an extra 93% tax on excess contributions.

What should you do?

If you are employed we strongly suggest you contact your employer to ensure you will not exceed your contributions cap limit for the year.

If you are self-employed ensure you do not make any contributions over these caps.

If you have any questions or concerns in relation to this matter please contact our office.



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