

GOVERNMENT SUPER CO-CONTRIBUTION

DO I QUALIFY FOR THE CO-CONTRIBUTION?

If you're a low to middle income earner and you make a personal after-tax contribution to your super, you may be eligible for the government super co-contribution.

The Australian Government matches every dollar of your personal contributions with a co-contribution of \$0.50 up to a maximum of \$500. This maximum gradually reduces once you earn more than \$41,112 per annum and reaches zero if your income is \$56,112 per annum or more (for 2021/22).

You're eligible for a co-contribution if you satisfy all of these requirements:

- you've provided us with your tax file number (TFN)
- you made one or more after-tax personal super contributions into a complying super fund during the financial year
- you earn 10% or more of your total income through eligible employment, running a business or a combination of these activities
- you've a total superannuation balance less than the general transfer balance cap at the end of 30 June of the previous financial year
- you've not exceeded your non-concessional contributions cap in the financial year
- your total income determined by the Australian Tax Office (ATO) is less than the higher income threshold (currently \$56,112 for 2021/22)
- you're less than 71 years of age at the end of the financial year
- you're not holding a temporary visa at any time during the financial year (unless you're a New Zealand citizen or it was a prescribed visa)
- you lodge an income tax return for the relevant financial year.

What does this mean if I'm a contributing member of the Retirement Scheme?

As a contributing member of the Retirement Scheme, you may already be making after-tax contributions. To qualify for the co-contribution, you would still need to meet the eligibility requirements listed above.

Do I need to have my eligibility for the co-contribution assessed?

No, you don't need to apply. Once you have made your contribution, all you've to do is lodge your tax return for the financial year. The ATO determines your eligibility for the co-contribution based on the information provided in your tax return. The total income amount is calculated by adding your assessable income, reportable fringe benefits and reportable super contributions for the financial year.

How much is the co-contribution?

The minimum co-contribution you could receive from the government is \$20 and the maximum co-contribution is \$500.

This maximum starts reducing once your total income exceeds \$41,112 (down to zero once your income reaches \$56,112).

The following table provides examples of the maximum co-contribution based on different levels of total income:

	TOTAL INCOME (P.A.)				
	Up to \$41,112	\$44,112	\$48,613	\$53,113	\$56,112 and above
Maximum co-contribution available	\$500	\$400	\$250	\$100	\$0
Contribution needed to receive the maximum entitlement	\$1,000	\$800	\$500	\$200	\$0

How do I receive my co-contribution?

If you're eligible, the co-contribution is paid directly to the same super fund which reported your personal post-tax contribution.

If this is Active Super, we automatically receive any co-contribution amount in your name. This contribution then appears on your statement.

If you've more than one super fund, and you would like the co-contribution paid to a particular fund, you can nominate the fund to receive the co-contribution. You can do this by using the ATO's online services or phoning the ATO.

It's important to nominate the fund before you lodge your tax return. This will ensure the super co-contribution is paid to the fund of your choice.

If you don't nominate a fund, the co-contribution is made to the fund which has reported the highest personal contribution amount for that year.

After the co-contribution has been deposited into your super fund account, you will receive a letter from the ATO confirming the amount.

When do I receive my co-contribution?

The ATO usually makes the co-contribution payments between November and January in the following financial year.

How is my co-contribution taxed?

The co-contribution is not subject to tax when it is paid to your super fund. However, once the co-contribution is in your account, any investment earnings will be taxed like any other earnings within the super fund.

NEED FURTHER INFORMATION?

You should review your super arrangements regularly. Because each situation is different, we recommend you contact Member Services on 1300 547 873 between 8.30am and 5.00pm, Monday to Friday.

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