

SPOUSE CONTRIBUTIONS

You can make contributions to your spouse's super fund if they are under the age of 67, and can continue up to the age of 75 if your spouse has worked for at least 40 hours in a period of 30 consecutive days within the financial year. A fund cannot accept contributions for a spouse who has reached age 75.

Spouse contributions are a type of non-concessional contribution (NCC) and count towards the receiving spouse's NCC cap of \$110,000 each financial year. Contributions for a spouse under the age of 67 years can be brought forward to a limit of \$330,000 over three financial years. All spouse contributions are treated as NCCs and are not subject to any tax upon entry. They are also paid to your spouse tax free on retirement.

Tax offset

You may be entitled to a tax offset of up to \$540 when making contributions to your spouse's superannuation fund if your spouse's assessable income, total reportable fringe benefits amounts and reportable employer super contributions add up to less than \$37,000. The spouse tax offset is no longer available when the spouse's income exceeds \$40,000 per annum.

To receive the full tax offset of \$540, you must contribute \$3,000 and your spouse must have earned less than \$37,000 in the financial year that the contribution was made. You can also qualify for a partial tax offset if your spouse earned between \$37,000 and \$40,000, and your contribution was under \$3,000.

There is no limit on the amount of money that you can invest in your spouse's superannuation account except the NCC cap of \$110,000 per annum. Although the tax offset is calculated on sums of \$3,000 or less, you may contribute more if you wish.

Preservation rules

Spouse contributions are preserved benefits and are subject to the normal conditions of release for superannuation.

If your spouse has never been employed, contributions plus earnings are preserved until they reach age 65.

If your spouse has been gainfully employed at any time, the benefit becomes accessible when your spouse has reached their preservation age and permanently retired. The preservation age depends on their date of birth, as shown in the table below:

DATE OF BIRTH	PRESERVATION AGE
Before 1 July 1960	55 years
1 July 1960 – 30 June 1961	56 years
1 July 1961 – 30 June 1962	57 years
1 July 1962 – 30 June 1963	58 years
1 July 1963 – 30 June 1964	59 years
After 30 June 1964	60 years

For the purpose of claiming a tax offset for after-tax contributions made to your spouse's super, 'spouse' means:

- a person who is legally married to you, or
- a person (whether of the same sex or a different sex) with whom you are in a relationship that is registered under the laws of NSW, Victoria, Queensland, South Australia, Tasmania or the Australian Capital Territory, or
- a person who although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

You are not entitled to the tax offset if, when you make the contribution, you are living separately and apart from your spouse on a permanent basis.

NEED FURTHER INFORMATION?

If you would like further information, please contact Member Services on 1300 547 873 between 8.30am and 5.00pm, Monday to Friday.

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