

Government co-contribution scheme fact sheet



Make the most of the Government co-contribution scheme. Boost your super balance even further!

The Co-contribution scheme is a Government initiative to help you save for retirement.

If you are eligible, and make after-tax contributions into your super account, you may receive a **bonus** contribution from the Government.

This bonus is called a co-contribution!

Eligibility criteria

To qualify for a co-contribution, you need to satisfy the following criteria for the relevant year of income. You must:

- make personal after-tax contributions to your super account;
- earn a 'total income**' (assessable income plus reportable fringe benefits) of **less than \$61,920 p.a.**;
- earn at least 10% of your income from eligible employment or running a business (or both);
- be a permanent Australian resident;
- lodge an income tax return; and
- be under 71 years of age at the end of the relevant year of income.

It's important to remember that your personal contributions (made from after-tax income) are the only contributions that qualify for a co-contribution.

Any contributions made on your behalf which are claimed as a tax deduction (SG, self-employed, spouse, or salary sacrifice contributions) *do not qualify* for a co-contribution.

How much will you receive?

The amount of the co-contribution you receive will depend on:

- your income; and
- the value of the after-tax contributions you make.

So the more you pay in (up to the maximum co-contribution threshold) the more you will receive from the Government.

Plus, like your personal contributions, the co-contribution is **not taxed** when it is paid into your account and it is **not taxed** later when you withdraw it as part of your retirement benefit.

Take a look at the table (below) to get an idea of the co-contribution you could receive.

The current co-contribution matching rate is 100%. However the Government may change this in the coming years.

If you make a personal after-tax contribution of:		\$1,000	\$800	\$500	\$200
And your total income is:	Your super co-contribution will be:				
\$31,920 or less	\$1000	\$800	\$500	\$200	
\$33,920	\$933	\$800	\$500	\$200	
\$35,920	\$867	\$800	\$500	\$200	
\$37,920	\$800	\$800	\$500	\$200	
\$39,920	\$733	\$733	\$500	\$200	
\$41,920	\$667	\$667	\$500	\$200	
\$43,920	\$600	\$600	\$500	\$200	
\$45,920	\$533	\$533	\$500	\$200	
\$47,920	\$467	\$467	\$467	\$200	
\$49,920	\$400	\$400	\$400	\$200	
\$51,920	\$333	\$333	\$333	\$200	
\$53,920	\$267	\$267	\$267	\$200	
\$55,920	\$200	\$200	\$200	\$200	
\$57,920	\$133	\$133	\$133	\$133	
\$59,920	\$67	\$67	\$67	\$67	
\$61,920	\$0	\$0	\$0	\$0	

Source: Russell Investments

Example A

Bill earns **\$30,000 p.a.** He makes **\$1,000** in after-tax contributions into his super in the 2011-12 year. Because Bill earns **under \$31,920**, the Government matches his contributions dollar for dollar up to the maximum co-contribution amount of **\$1,000**.

Example B

Jim earns **\$45,920 p.a.** He makes **\$800** in after-tax contributions into his super in the 2011-12 year. The Government would therefore pay a co-contribution of **\$533** into his super account.

*This may be different from your 'taxable income' – for example, money you have salary sacrificed is still counted in your total income even though you didn't pay tax on it.



It's easy to qualify for a co-contribution

You don't need to apply or fill out any paperwork!

Simply make an after-tax contribution/s into your Prime Super account and we will report these contributions to the Australian Taxation Office (ATO) for you.

They will then pay the co-contribution directly into your account.

Make an after-tax contribution today!

Make deductions directly from your pay

You can ask your employer to deduct regular contributions from your pay.

Your contribution will be sent to your Prime Super account by your employer with your employer's regular contributions which are made on your behalf. But remember your contributions must be made from your **after-tax income** to qualify for a co-contribution.

This is an easy 'set and forget' method.

Make contributions by Direct Debit

If you'd prefer you can authorise us to automatically debit your bank account for the amount of the regular contributions you'd like to make.

A *Personal contributions form* is attached to this fact sheet.

Pay by BPAY®

If you would prefer to make a one-off contribution rather than regular ones and are a fan of internet banking, the easiest way to make a 'one off' payment is by BPAY®.

All you have to do is log in to your Prime Super online member account at www.primesuper.com.au, fill in the simple online form and then make your payment.

If you don't have an online member account, give us a call on **1800 675 839** and we'll help you set one up.

Alternatively a *Personal contributions form* is attached to this fact sheet.

Write us a cheque

You can, of course, pay regular or one-off contributions by cheque.

Just fill in the attached *Personal contributions form* and send it to us with a cheque attached.

If you are self-employed

If you are self-employed you are more likely to be making contributions from **pre-tax income** and claiming a tax deduction on your contributions.

However, if you are earning an income from **running a business in partnership** or as a **sole trader** you may qualify for the co-contribution provided you also make personal contributions from **after-tax income**, for which you do not claim a tax deduction.

If you require any more copies of the *Personal contributions form*, simply call us on **1800 675 839** or download the form directly from our website at www.primesuper.com.au under the 'Forms' section.

Additional help!

Write to us at:	Locked Bag 5103 Parramatta NSW 2124
Helpline:	1800 675 839
Fax:	1800 023 662
Overseas callers:	+61 2 9374 3967
Email:	administration@primesuper.com.au
Website:	www.primesuper.com.au

Receive FREE financial advice!

At Prime Super, we provide members with limited financial advice over the telephone. A planner may be arranged to help you determine which superannuation contribution, investment or insurance options are right for you, based on your individual circumstance and needs. And it's free. Call us today on **1800 675 839**.

If you require further advice and potentially a full financial plan, we can refer you to a financial planner. Prime Super financial planners are representatives of Industry Fund Financial Planning[^], which offers low cost, commission-free financial advice and the first consultation with a planner is **at no charge**. Call us today on **1800 675 839**.

Disclaimer

This fact sheet provides general information only and may not be relied on as personal legal or financial advice. Before acting on this information, you should consider the appropriateness of this information having regard to your personal objectives, financial situation or needs. Prime Super ABN 60 562 335 823 is a Regulated Superannuation Fund issued by Prime Super Pty Ltd ABN 81 067 241 016, AFSL 219723. A Short-Form Product Disclosure Statement (Short-Form PDS) can be obtained from the issuer by calling 1800 675 839.

[^]Industry Fund Financial Planning is a division of Industry Fund Services Ltd, ABN 54 007 016 195, AFSL No 232514

Prime Super personal contributions form

Please complete this form if you would like to make **after-tax** contributions to your super account. Please note that the government limits the amount of money you can contribute to your super. For more information please refer to the current *Prime Super Short-Form Product Disclosure Statement – Superannuation* and the *Why choose Prime Super?* brochure. If you would like to make before-tax contributions including salary sacrifice contributions, please contact your employer.



SECTION 1 – PERSONAL DETAILS

Member Number	Date of Birth (DDMMYYYY)	Tax File Number (TFN)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Surname	Title	
<input type="text"/>	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Dr	
Given Names	Gender	
<input type="text"/>	<input type="checkbox"/> Male <input type="checkbox"/> Female	
Residential Address	<input type="text"/>	
Suburb/City/Town	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>
Phone Number (BH)	Phone Number (AH)	Mobile Number
<input type="text"/>	<input type="text"/>	<input type="text"/>
Email	<input type="text"/>	
Name of Employer	<input type="text"/>	
Occupation	<input type="text"/>	

SECTION 2 – ELIGIBILITY CRITERIA

Please note that we can only accept after-tax contributions if you meet the following criteria:

I am aged less than 65 years Yes No

OR
I am aged between 65 and 74 years and have worked at least 40 hours in a 30 day period or less during the current financial year. Yes No

AND
I have provided Prime Super with my TFN Yes No

Please note: We cannot accept after-tax contributions from you unless we have your TFN on record.

SECTION 3 – CONTRIBUTION AMOUNT

I wish to contribute: \$

Please note that any contributions you make will be invested according to your chosen investment strategy.

SECTION 4 – CONTRIBUTION FREQUENCY

One-off Monthly Quarterly



Conditions of Use

- To cancel or alter your direct debit, you must notify Prime Super in writing.
- There must be enough money in the account on each day you have nominated for a deduction to occur.
- If the deduction is dishonoured three times, this facility will cease immediately. A dishonour means that the deduction could not be made because there was not enough money in the nominated account.
 - If Prime Super is advised of a dishonour and any part of the dishonoured amount has been paid out from your account, you will be liable to pay that amount to Prime Super.
 - If Prime Super is advised of a dishonour after all your superannuation benefit is paid out, you are liable to repay the dishonoured amount to Prime Super.

WHERE TO SEND THIS FORM

Once completed please return this form to us via mail, fax or email.

Mail Prime Super
Locked Bag 5103
Parramatta NSW 2124

Freecall 1800 675 839

Fax 1800 023 662

Email administration@primesuper.com.au

If you have any questions about this form or Prime Super please call us on **1800 675 839** (8.00am to 8.00pm Monday-Friday Sydney time).



Open from 8.00am to 8.00pm, Mon-Fri Sydney time
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administration@primesuper.com.au
www.primesuper.com.au

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