

Spouse contributions are super contributions you make on behalf of your spouse or de facto partner. These are non-concessional (after-tax) contributions, which means that the contribution is not subject to further tax once placed in their super account. It can help build your spouse's super balance for when they retire, even if they are not working or have a low income job.

WHO QUALIFIES AS YOUR SPOUSE/PARTNER?

You must be either legally married, a de facto partner or same sex couple living together on a permanent basis. A married couple living separately does not qualify. Both you and your spouse/partner must be Australian residents at the time the contributions are made.

SPOUSE CONTRIBUTION TAX OFFSET

You may be able to claim an 18% tax rebate up to \$3,000 of the contributions you make on behalf of your non-working or low-income-earning spouse/partner. If their income is less than \$37,000 you may be eligible for the full offset amount of \$540. The tax offset amount will gradually reduce for income above \$37,000 and becomes \$0 when their income exceeds \$40,000.

Tax offsets will not be available if your spouse/partner's income exceeds their non-concessional (after-tax) contributions cap in the relevant financial year, or they have a Total Superannuation Balance* of more than \$1.6 million on the 30 June, before the start of the financial year in which the contributions were made.

You may be entitled to a tax offset of up to \$540 (maximum tax offset) each financial year if:

- > You did not claim a tax deduction for the contributions.

IS THERE A COST INVOLVED?

We do not charge a fee if your spouse/partner's super account is outside First Super.

CLAIMING THE OFFSET

You can claim the tax offset through your tax return.

ELIGIBILITY CRITERIA

- > Spouse contributions are not taxed as long as they don't exceed the non-concessional contributions cap (\$100,000 for the 2020/21 financial year);
- > Both you and your spouse/partner were Australian residents when the contributions were made;
- > At the time of making the contributions you and your spouse/partner were not living separately and apart on a permanent basis;
- > Your spouse/partner is under the age of 67, or if they are between 67 and 74 and have met the work test exemption;
- > The sum of your spouse/partner's assessable income, including total reportable fringe benefits amounts and reportable employer super contributions (RESC) for the financial year, was less than \$40,000; and
- > The contribution was made to a super fund which was a complying fund in the income year in which you made the contribution.

HOW DO YOU MAKE A CONTRIBUTION TO YOUR SPOUSE/PARTNER'S SUPER?

Once the spouse/partner account has been opened, you can then make contributions into their account by using our Contribution Form available from our website firstsuper.com.au/forms.

1. BPAY. Call **1300 360 988** for details
2. Electronic Funds Transfer (EFT)
Your EFT reference is your member number, your initial and surname
First Super bank account details:
Account Name: **First Super**
Bank Name: **National Australia Bank**
BSB No: **083-355**
Account No: **67-879-1379**
3. Cheque made payable to First Super Pty Ltd and mail to:
First Super, PO BOX 666 Carlton South VIC 3053

If making an EFT or BPAY payment please email or post us a copy of the contribution Form to notify us of your contribution.

* Your Total Superannuation Balance is the total value of your accumulation and retirement phase interests (including rollover amounts not yet included in those interests) across all of your superannuation accounts, reduced by the sum of any structured settlement contributions.

CASE STUDY – EMI BOOSTS HER SUPER

Emi and Ken have two children who are still at school. Ken earns \$120,000 working full-time and Emi works part-time and earns \$30,000 a year. Emi had several years out of the workforce when their children were young so her super balance is quite low.

Emi makes a non-concessional (after tax) contribution of \$20 to her super each week so that she can receive a Government Co-contribution of \$500. Because her income is low she will also receive a low income super tax offset of \$427 (15% of her employer contributions).

Ken would like to help Emi build her super. He decides to contribute a further \$100 a week in non-concessional spouse contributions to her super fund. Ken will be able to claim a tax offset of up to \$540 for the spouse contributions he makes. So while he is helping grow Emi's super he'll be reducing his tax bill by \$540 a year.

**WANT TO KNOW MORE?
WE'RE HERE TO HELP.**

Please contact our Member Services Team today.

Call **1300 360 988**
Email **mail@firstsuper.com.au**
Website **firstsuper.com.au**



If you would like to speak to a member of First Super's Financial Advice Team* to discuss this further call **1300 360 988**.

*First Super Financial Planners are authorised representatives of Industry Fund Services Limited (ABN 54 007 016 195, AFSL 232514).

Your spouse/partner's assessable income	Contribution paid into your spouse/partner's account	Maximum contribution eligible for tax offset	Tax offset available to contributing spouse/partner
\$0	\$3,000	\$3,000	\$540
\$20,000	\$3,000	\$3,000	\$540
\$37,000	\$3,000	\$3,000	\$540
\$38,000	\$3,000	\$2,000	\$360
\$39,000	\$3,000	\$1,000	\$180
\$41,000	\$3,000	\$0	Nil

* Please note that these calculations are estimates only, the Australian Taxation Office (ATO) will determine eligibility and any tax offset amount at your tax assessment time.

Preservation Age*	
Date of birth	Your preservation age
Before 1 July 1960	55
From 1 July 1960 until 30 June 1961	56
From 1 July 1961 until 30 June 1962	57
From 1 July 1962 until 30 June 1963	58
From 1 July 1963 until 30 June 1964	59
On or after 1 July 1964	60

Important information

The content is accurate and reliable as a 1 July 2020. This information is of a general nature only and does not take into account your personal circumstances or situation. We recommend that you seek qualified financial advice before making any investment decision. The document is provided by First Super Pty Ltd ABN 42 053 498 472, AFSL No. 223988, as the Trustee of First Super ABN 56 286 625 181. If you intend to invest in or continue to hold this product you should obtain and consider a copy of the Product Disclosure Statement which is available by phoning 1300 360 988.

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