

## SUPER CO-CONTRIBUTION TURN \$10,000 INTO \$450,000

ABN 64 604 587 304

By investing a mere \$1,000 of your own funds into super each year for ten years, you could add as much as \$450,000 to your total retirement benefit.

420-422 Ruthven Street  
PO Box 622  
Toowoomba QLD 4350  
T 07 4613 0311

Sounds too good to be true doesn't it? Well it's not. Let's answer three questions:

admin@accession3.com  
www.accession3.com

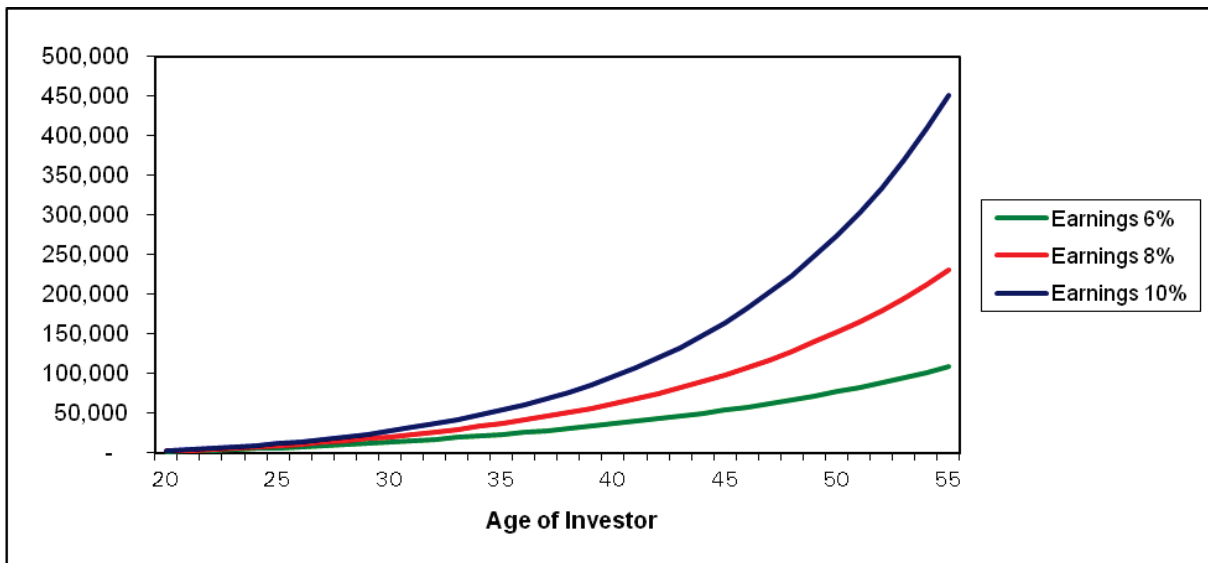
1. How do you do it?
2. How much do you get?
3. What do you do next?

### HOW DO YOU DO IT?

The answer lies in a mixture of:

- Making personal contributions to superannuation.
- Being eligible for the Government Co-contribution.
- Starting at an early age.
- Having a reasonable rate of return on your superannuation investments.

**Let's look at an example.** Joe contributed \$1,000 for 10 years, from age 15 to 24, had income of less than \$39,837 pa in that time. He received total co-contributions of \$5,000 from the Government. The following graph illustrates his super balance if the fund has earnings of 6% pa for 40 years:



Note what happens if the average earnings are increased by just 2% and then 4%! **The forecast balance is now over \$450,000.** Note also, that the projections do not include the contributions that would be made by your employer over this time, nor additional contributions by yourself, so the total would be much higher.

*Helping people build better lives for themselves and their families*

## HOW MUCH DO YOU GET?

Under the current rules, if your adjusted assessable income is less than \$54,837 and all other eligibility criteria have been met during a financial year, you will be entitled to a super co-contribution from the Government. You will receive the maximum entitlement if your adjusted assessable income is less than \$39,837. Your co-contribution will be based on your total income and how much you personally contribute.

The following table illustrates the level of co-contribution available based on your adjusted assessable income and your personal contribution:

	If your personal super contribution is:			
	\$1,000	\$800	\$500	\$200
And your income is:	Your super co-contribution will be:			
\$39,837 or less	\$500	\$400	\$250	\$100
\$42,837	\$400	\$400	\$250	\$100
\$45,837	\$300	\$300	\$250	\$100
\$48,837	\$200	\$200	\$200	\$100
\$51,837	\$100	\$100	\$100	\$100
\$54,837 or more	\$0	\$0	\$0	\$0

## Children

Are your children working part time jobs? Do they have a superannuation fund? Do they need a superannuation fund? A 12-year-old may meet eligibility criteria if they work more than 30 hours in any given week during the year. With a little assistance from you, they could kick start their retirement fund.

## Eligibility criteria

1. Your personal superannuation contribution is made into a complying superannuation fund or a Retirement Savings Account ('RSA');
2. You must earn 10% or more of your income from eligible employment or business ( or a combination)
3. Your total superannuation balance is less than \$1.6 million the year before the contribution is made (i.e. balance at 30 June 2019 is less than \$1.6 million)
4. You have not contributed an amount more than your non-concessional contributions cap for the year
5. Your total income (assessable income, less any business-related deductions, plus reportable fringe benefits and reportable employer super contributions) is less than \$54,837 for the year;
6. You lodge an income tax return for the year of income
7. You are less than 71 years old at the end of the year of income

## WHAT DO YOU DO NEXT?

1. Contact our office and make an appointment with one of our financial advisers.
2. Start making personal superannuation contributions.
3. Remember your contribution needs to be processed by the fund *on or before 30 June 2021*.

## DISCLAIMER

*This is general advice and does not take in to account your personal situation. You should consider how this advice impacts your financial situation and seek advice from your financial adviser. Please note the above information was current at the time of preparation. If you would like to discuss the information on this flyer, please contact our team on 07 4613 0311.*