

# LET THE GOVERNMENT TOP UP YOUR SUPER

Don't miss out on extra help

FACT SHEET 1

5 OCTOBER 2021

If your total income is less than \$56,112 this financial year, you could receive a super bonus from the government.

All you have to do is make an after-tax contribution to your super and meet the eligibility requirements.

## Eligibility based on income

If your total income is \$41,112 or less, and you put \$1,000 into your super as an after-tax contribution, the government will make the maximum co-contribution to your super of \$500.

It would be great to get the full \$500, but you don't have to put in the maximum \$1,000 to receive a co-contribution from the government. If you can afford just \$200, the government will top up your account with \$100. A \$400 after-tax contribution will earn you a co-contribution of \$200.

## Will your total income be more than \$41,112 but less than \$56,112?

If you earn between \$41,112 and \$56,112, you are still eligible to receive a co-contribution, but at a reduced rate.

The income limits described on this page refer to your **total income** (which is your assessable income **plus** salary sacrifice super contributions and voluntary employer contributions), plus any reportable fringe benefits. If part of your income comes from self-employment, then deductions for carrying on a business are allowed. More information about total income is shown at note 3 at the bottom of page 3.

The table on page 2 shows some examples of how the co-contribution decreases as income increases.

Please note that this table shows the amount of co-contribution you'll receive for eligible after-tax contributions made from 1 July 2021. For future financial years, the rate at which the co-contribution phases out may change.

You can also use the tax office calculator at [ato.gov.au/Calculators-and-tools/Super-co-contribution-calculator/](https://ato.gov.au/Calculators-and-tools/Super-co-contribution-calculator/) to work out how much co-contribution you could get.

Total income including salary sacrifice and reportable fringe benefits \$	Maximum approximate co-contribution available \$	Personal contribution required to receive maximum co-contribution \$
41,112	500	1000
42,112	466	933
43,112	433	866
44,112	400	800
45,112	366	733
46,112	333	667
47,112	300	600
48,112	266	533
49,112	233	467
50,112	200	400
51,112	167	334
52,112	133	267
53,112	100	200
54,112	67	134
55,112	33	67
56,112	0	0

The amounts shown in the table above are approximate amounts and have been rounded down to the nearest whole dollar. If you are eligible for a government co-contribution, the payment will be rounded up to the nearest multiple of 5 cents. The minimum co-contribution payment is \$20.

## No application needed

The government does the work for you. Just make sure you make an after-tax contribution that is received by us before the end of the financial year and then lodge your tax return. The ATO will work out whether you are entitled to a co-contribution, and if you qualify, they will pay the amount into your super account.

Remember, the co-contribution is counted as a non-concessional (after-tax) contribution, so no tax is deducted when it's added to your account.

# CONTRIBUTE TODAY FOR FREEDOM TOMORROW

## Here are the rules for 2021/22

To be eligible you must meet all conditions in the table.

### Eligibility description

Your *total super balance*<sup>1</sup> at 30 June 2021 was less than \$1.7 million.

You have not exceeded your non-concessional contributions cap for<sup>2</sup> the 2021/22 financial year.

Your total income<sup>3</sup> must be less than \$56,112.

You made at least one after-tax (non-concessional) contribution<sup>4</sup> to your super before 30 June 2022.

You must not claim a tax deduction for your total after-tax contributions for the year.

If you are self-employed, at least 10% of your total income (not reduced by any business deductions) must come from employment or carrying on a business or a combination of both.

You are younger than 71 at the end of the financial year (30 June 2022).

You do not hold a temporary resident visa<sup>5</sup> for any part of the financial year.

You must lodge an income tax return for 2021/22.<sup>6</sup>

<sup>1</sup> Your total super balance is generally the total value of your super interests in both accumulation phase and retirement phase at the end of the previous financial year, noting that:

- for accumulation phase, this is generally the withdrawal value at 30 June
- for retirement phase, this is the balance of your personal transfer balance cap which is managed by the ATO.

You can view your total super balance through your Australian Taxation Office (ATO) linked account by logging into your mygov account at [my.gov.au](https://my.gov.au)

<sup>2</sup> If you have more than one fund, all non-concessional contributions made to all of your funds are added together and counted towards the non-concessional contributions cap.

If you are under age 67 at any time during a financial year, you may be able to make non-concessional contributions of up to \$330,000 (3 times the annual non-concessional contributions cap) in that financial year.

For more information please see our fact sheet [Opportunities and limits for super contributions](#).

<sup>3</sup> Total income means your:

- assessable income **plus**
- reportable fringe benefits total **plus**
- total reportable super contributions reduced (but not below zero) by any excess concessional contributions **minus**
- assessable first home super saver released amount **minus**
- allowable business deductions.

<sup>4</sup> A government co-contribution will not be paid on before-tax contributions including salary sacrifice contributions, employer contributions, deductible member contributions or spouse contributions.

<sup>5</sup> Unless you are a New Zealand citizen or it was a prescribed visa.

<sup>6</sup> The co-contribution will be paid into your super account after your tax return has been assessed. Once you receive the co-contribution, it will be a preserved benefit. That means it can generally be paid to you in cash only when you retire after reaching your preservation age or in some other limited circumstances.

## Work test eligibility to make a contribution to super

If you have reached age 67 but are under age 75, you are required to work at least 40 hours in 30 consecutive days in the financial year to be eligible to make concessional or non-concessional contributions.

The work test can be satisfied where you receive remuneration for your efforts. You will need to confirm with the ATO whether your specific arrangements satisfy the work test rules.

## Work test exemption

If your total super balance<sup>1</sup> at the previous 30 June is less than \$300,000, you will be exempt from this work test for 12 months from the end of the financial year in which you last met the work test. This exemption applies once only.

Find out more in our fact sheet [Opportunities and limits for super contributions](#) available at [ngssuper.com.au/pds](https://ngssuper.com.au/pds)

## Smart moves

- If you start work part-way through the year, you'll have earned less than one full year's income by the end of the financial year, so you may be entitled to receive the full co-contribution amount.
- If you have started working part-time and your income has been reduced, you may now be eligible.

## Making after-tax contributions

You can make contributions into your super account at any time by:

- logging into **Member Online** at [ngssuper.com.au/mol](https://ngssuper.com.au/mol) and accessing your BPAY® details
- completing the **Lump sum contribution form** and returning with a cheque or
- making regular contributions from your pay by completing the **Payroll deductions form** and providing it to your employer.

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### Beat the 30 June deadline

We must receive your after-tax contribution before 30 June 2022 for you to be eligible for a co-contribution for the 2021/22 financial year. Don't leave it until the last minute: always allow some time for posting and processing. Otherwise, it will be counted for the next financial year.

## More information?

### Contact us

You can contact us at  
[ngssuper.com.au/contact-us](https://ngssuper.com.au/contact-us)  
or call us on **1300 133 177**  
Monday to Friday,  
8am–8pm (AEST/AEDT).

Phone number for callers outside  
Australia: **+61 3 8687 1818**

Fax: **(03) 9245 5827**

Postal address:  
**GPO Box 4303  
MELBOURNE VIC 3001**

If you are thinking about making after-tax contributions, or if you want to find out if you're eligible to receive the government co-contribution, consider obtaining professional advice to understand how this works for your personal situation and how you might be able to combine before-tax and after-tax contributions to your advantage.

We offer single-issue advice limited to your NGS Super account at no cost:

- over the phone through our Financial Advice Helpline
- through our **Customer Relationship Managers** who may be able to meet you face-to-face.

Further, we offer low-cost tailored advice through NGS Financial Planning. To make an appointment phone us on **1300 133 177** or complete the **Financial planning enquiry form** at [ngssuper.com.au/advice](https://ngssuper.com.au/advice)

### Important information

You should consider all the information contained in the **Product Disclosure Statement** dated 5 October 2021 and incorporated fact sheets before making a decision about investing in NGS Super. You can also view our **Target Market Determinations** at [ngssuper.com.au/TMD](https://ngssuper.com.au/TMD)

The information provided in this fact sheet is general information only and does not take into account your objectives, financial situation or needs. Before making a financial decision, please assess the appropriateness of the information to your individual circumstances and consider seeking professional advice.

NGS Financial Planning Pty Ltd, ABN 89 134 620 518, is a corporate authorised representative #394909 of Guideway Financial Services Pty Ltd, ABN 46 156 498 538, AFSL #420367 and offers financial planning services on behalf of NGS Super ABN 73 549 180 515.