

# Downsizer contribution

Fact sheet

November 2025

If you are aged 55 years<sup>1</sup> or older and meet the eligibility requirements, you may be able to make a downsizer contribution into your NGS Accumulation account of up to \$300,000 (or \$600,000 per couple) from the proceeds of selling your home.

## Selling your home to boost your super balance

Existing contribution caps and restrictions do not apply to a downsizer contribution. Therefore, those currently ineligible to make contributions to super due to age restrictions or employment status, now have an opportunity to make a further contribution into super.

### Get the right advice

If you're currently receiving the government age pension, be aware that downsizing your home could reduce your age pension entitlement or make you completely ineligible. Generally, the value of your home is excluded as an assessable asset in determining your age pension entitlement, but if you were to sell your primary residence and purchase a home of lesser value, the resulting cash proceeds, whether contributed to super or not, would not be exempt from the Centrelink assets or income test.

If you are thinking of making a downsizer contribution, consider obtaining professional advice for your personal situation.

Contact us on **1300 133 177** to make an

appointment or learn more at [ngssuper.com.au/advice](https://ngssuper.com.au/advice).

### Am I eligible?

You are eligible for the downsizer contribution if:

- you are at least 55 years old
- the contribution amount is from the proceeds of selling your home
- you or your spouse owned your Australian home (caravans, houseboats and other mobile homes excluded) for at least 10 years
- the proceeds from the sale are either exempt or partially exempt from capital gains tax (CGT) under the main residence exemption, or would be entitled to such an exemption if the home was a CGT rather than a pre-CGT (acquired before 20 September 1985) asset
- you have provided NGS with the **Downsizer contribution form** either before or at the time of making your downsizer contribution
- you make your downsizer contribution within 90 days\* of receiving the proceeds of sale, which is usually the date of settlement, and
- you have not previously made a downsizer contribution to your super from the sale of another home.

\* You may be able to request an extension where a delay has been caused by factors outside your control. However, an extension of time will not be granted to allow you or your spouse to meet the age requirement. An extension of time should be requested before the 90-day period from settlement of your home has expired.

## How to make a downsizer contribution

### Important things to note:

- if you sell your home (or part of your equity in your home) and make an eligible downsizer contribution, you do not have to buy another home
- you can make multiple downsizer contributions from the proceeds of a single sale, provided the total amount is the lesser of the sale amount or \$300,000 (per individual) and is contributed within the 90-day period
- you cannot make additional downsizer contributions from the sale of a second home
- downsizer contributions are not tax deductible and **will be** taken into account for determining your eligibility for the age pension
- your downsizer contribution **will not** count towards your non-concessional contribution cap
- you can still make a downsizer contribution even if you have exceeded your total super balance cap<sup>1</sup>
- if your downsizer contribution is deemed ineligible, the ATO will notify both you and NGS Super. We may then return the contribution to you, or it can be treated as an excess non-concessional contribution, subject to additional tax
- downsizer contributions can only be accepted into an accumulation account; if you do not have an active NGS Accumulation account, you will need to open one either online at [ngssuper.com.au/join](https://ngssuper.com.au/join) or by completing the application form in our **NGS Accumulation Product Disclosure Statement**.

## How to make a downsizer contribution

Before you decide to make a downsizer contribution, you should check the eligibility requirements and seek advice. If you choose to make the downsizer contribution, you will need to complete the **Downsizer contribution form** available from the ATO and send it to NGS Super either:

- before you make your BPAY® downsizer contribution (BPAY® details available via your **Member Online** account), or
- via post with your downsizer contribution cheque attached.

Remember that all downsizer contributions must be made **within 90 days** of receiving the proceeds of the sale, which is usually the date of settlement.

Downsizer contributions can only be made to an accumulation account, like the NGS Accumulation account. If you don't have an active NGS Accumulation account, you will need to open one, either by completing an application form in our **NGS Accumulation Product Disclosure Statement** or online at [ngssuper.com.au/join](https://ngssuper.com.au/join)

Once your downsizer contribution is received, you can choose to move your funds to an NGS Income account by completing the application form in our **NGS Retirement PDS**. If you already have an NGS Income account, you can consolidate your downsizer contribution funds with it by completing a **Reset form (Income account) form**. If you'd like a copy of this form, please call us on **1300 133 177**.

### Example 1

Clive (age 77) and Audrey (age 75) sell their home after 40 years of ownership for \$850,000. Clive and Audrey can each make a downsizer contribution of up to \$300,000 into their accumulation accounts provided they meet all other eligibility requirements. They must do this within 90 days of receiving the proceeds of sale.

### Example 2

Tom (age 69) and Chris (age 62) sell their home for \$500,000. If they meet the eligibility requirements, the combined downsizer contributions they can make cannot exceed \$500,000. This means they can choose to contribute half each (\$250,000) or a different split – for example, \$300,000 for Tom and \$200,000 for Chris. Individually, they cannot exceed the \$300,000 cap.

1. Downsizer contributions will not affect your total super balance until it is re-calculated at the end of the financial year.

## Downsizer considerations

### Things to consider

Before you decide to sell your home and downsize, there are some things you should consider.

- How will the sale affect your family, and have you spoken to them about what you are planning?
- Will you still be eligible for any of the age pension?
- How will the costs of selling your home – like real estate costs, stamp duty, moving and furnishing costs – affect your balance sheet?
- Are you confident you'll enjoy living in a new area? Have you considered renting before buying, just in case?

You may want to seek advice if you are looking to:

- keep the family home as an investment
- sell the family home without immediately buying a replacement home
- buy a property off the plan
- move into a retirement village or nursing home.

Financial issues like additional tax may arise in these scenarios, and you may need help from an accountant or financial planner.

### Will your age pension be affected?

If you are receiving the age pension, and you are selling your home and not purchasing a replacement home immediately, the proceeds of the sale of your home may have implications for you on the assets test. You should speak with a Centrelink Financial Information Service (FIS) Officer who may be able to approve a 12-month exemption on the assets test for the value of the sale of your home and the price you are planning to use on the purchase of your new home. However, a deeming rate will be applied to that amount and will be assessed against the income test.

Find out more about the assets test and income test in our fact sheet **Your super and the age pension**.

## More information?

### Contact us

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

Postal address:  
**GPO Box 4721  
MELBOURNE VIC 3001**

### Need help?

If you are thinking about making a downsizer contribution, consider obtaining professional advice to understand how it could work for your personal situation.

Getting advice on your NGS Super account is easy. Whether it's a simple check in to understand your options or comprehensive advice for you and your family, we have you covered.

Contact us on **1300 133 177** to make an appointment or learn more at [ngssuper.com.au/advice](https://ngssuper.com.au/advice)

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