

# SUPER SUPPORT FOR LOW AND MIDDLE-INCOME EARNERS

**The Australian Government offers the super co-contribution and low-income superannuation tax offset (LISTO) as payments to help low and middle-income earners save for retirement. Find out if you are eligible.**

## What is the super co-contribution?

The super co-contribution is a payment to help boost your retirement savings. If you're a low or middle-income earner and make voluntary after-tax super contributions, you could receive a contribution from the Australian Government up to a maximum amount of \$500.

### How does it work?

If you have a total annual income of less than \$52,697 (2018/19), the Australian Government will contribute 50 cents for every \$1 you put into your super to a maximum of \$500 in a financial year. Total annual income is your assessable income plus reportable fringe benefit amounts and reportable superannuation contributions (including salary sacrifice).

### How much super co-contribution could I get?

It depends on your total income and the amount of money you put into your super through after-tax standard member, compulsory or personal contributions. The super co-contribution amount gradually lessens as income increases, until it cuts out for those who earn \$52,697 or more. To receive the maximum co-contribution of \$500, you need to earn \$37,697 or less and contribute at least \$1,000 to your super.

If your total annual income is...	You will get a maximum super co-contribution amount of...	As long as you contribute..
\$37,697 or less	\$500	\$1,000
\$41,447	\$375	\$750
\$45,197	\$250	\$500
\$48,947	\$125	\$250
\$52,697	\$0	-

## Am I eligible?

You could be eligible to receive the super co-contribution if you satisfy all of the following conditions:

- you make a contribution into your super as a lump-sum or from your after-tax pay
- you have a total annual income of less than than \$52,697 (2018/19)
- you earn 10% or more of your total annual income from:
  - employment where you are treated as an employee for superannuation purposes
  - running a business or trade
  - a combination of both

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- you lodge an income tax return for the financial year
- you are less than 71 years old at 30 June 2019
- you do not hold a temporary resident visa at any time during the financial year
- you have not exceeded your non-concessional contributions cap for the financial year
- your total superannuation balance is less than the transfer balance cap of \$1.6 million on 30 June 2018.

## Is the super co-contribution taxed?

No. The super co-contribution is not taxed on entry to LGIAsuper or when it is withdrawn after preservation age.

## What contributions count?

Only standard member or voluntary contributions made from your after-tax pay count towards the super co-contribution.

The following contributions **do not** count for the super co-contribution:

- salary sacrifice contributions
- spouse contributions
- employer contributions
- contributions for which a tax deduction has been claimed
- transfers from other super funds
- transfers from overseas super funds.

## How do I get the super co-contribution?

You don't need to apply to receive the super co-contribution. At the end of each financial year the Australian Taxation Office (ATO) will assess your eligibility based on your tax return and the information we give them.

If you make personal contributions to more than one super fund you can nominate where the super co-contribution should be sent. A nomination form is available from the ATO's website at [www.ato.gov.au](http://www.ato.gov.au).

## What is the LISTO?

The low-income superannuation tax offset (LISTO) is an Australian Government initiative designed to help boost your super savings if you earn \$37,000 or less each financial year. If you are eligible, you could

receive a refund of the 15% tax you pay on concessional contributions when they reach your account, up to a maximum of \$500 each financial year. Concessional contributions include payments made by your employer or by you from your before-tax pay or those you claim as a tax deduction.

## Am I eligible for a LISTO payment?

You could be eligible if:

- you or your employer pay concessional (before tax) contributions into a complying super fund. These contributions include super guarantee amounts paid by your employer as well as any contributions you salary sacrifice or claim as a tax deduction
- your annual adjusted taxable income is \$37,000 or less
- you do not hold a temporary resident visa any time during the financial year. New Zealand citizens in Australia are eligible for the payment
- 10% or more of your total income comes from business or employment.

## How is the LISTO payment calculated?

The ATO assesses your eligibility for the LISTO and calculates your refund. To manually work out how much you may be eligible to receive, simply multiply all your concessional super contributions for a financial year by 0.15 and then round to the nearest cent. The maximum payment each financial year is \$500 and the minimum is \$10.

## How do I get the LISTO?

Unless you have reached your preservation age (from age 55) and are retired, or you are 65 or over, your payment will be made directly into your super fund if you've provided your tax file number. Check your most recent superannuation statement or your transaction listing in Member online for details.

## Any questions?

To learn more about the super co-contribution and LISTO, visit the ATO's website at [www.ato.gov.au](http://www.ato.gov.au). We're also here to help. Call us on **1800 444 396** or visit our website at [lgiasuper.com.au](http://lgiasuper.com.au).

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