

# WAYS TO GROW YOUR SUPER

**Understanding how super works, your entitlements and ways to grow your savings could make a difference to your lifestyle when you retire.**

## Get to know your super

Your super is a long-term savings account designed to provide you with financial support when you retire. It's important to understand who can contribute, how to contribute and what limits apply.

## Your employer can pay into your LGIAsuper account

While you work your employer pays money into your account in accordance with your employment contract, federal and relevant state laws, awards and any enterprise bargaining agreement (EBA) that may apply.

### Superannuation Guarantee (SG) contributions

If you work full time, part time, casually or, in some cases, as a contractor and you earn more than \$450 (before tax) in a calendar month, your employer must pay SG contributions into your super account on at least a quarterly basis. If you are under age 18, you will need to work more than 30 hours a week to qualify.

SG contributions are currently 9.5% of ordinary time earnings and apply for most working Australians.

### What are ordinary time earnings?

Ordinary time earnings is the money you earn for your ordinary hours of work plus extra money you get for over-award payments, performance-based bonuses, commissions, shift loading, allowances and certain paid leave.

### What if my employer hasn't paid SG?

Keep in mind there are generally delays from your pay date to when your employer pays contributions into LGIAsuper. You can check your contributions and manage your account securely using LGIAsuper's Member online. To register or log in go to [lgiasuper.com.au](http://lgiasuper.com.au).

If you think your employer isn't up-to-date with their SG payments you should discuss the matter with your employer first. If you are not satisfied with their response, you contact the Australian Taxation Office (ATO). They have a step-by-step process to help you work out your entitlements. Contact 13 10 20 for more information or visit [www.ato.gov.au](http://www.ato.gov.au).

### Other employer contributions

Your employer may also make additional contributions to your super account, as prescribed by your employment contract, federal and relevant state laws, awards and any EBA.

### What if I work for local government?

If you work for Queensland local government, a water business or a local government entity you may be required to contribute to your super to receive a higher employer contribution.

Details specific to your employment arrangements are available in our *Member guide*.

## You can pay into your LGIAsuper account

Adding to your LGIAsuper account through one-off payments or contributing small amounts regularly will grow your super savings faster and give you more money to live off in retirement.

You can start growing your super savings today by making personal (after tax) contributions or through a salary sacrifice arrangement with your employer (before-tax contributions).

Limits are set by the Australian Government and are known as contribution caps. There are different caps for your concessional and non-concessional contributions. For more information read our *Contribution caps* info sheet.

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To pay into your super account you must be:

- age 64 or younger
- between age 65 and 74 and work at least 40 hours over a consecutive 30-day period in the financial year you want to make a contribution.

## How do I make a personal contribution?

These contributions are paid in from after-tax money and are also referred to as non-concessional super contributions.

You can make one-off payments at any time or contribute small amounts regularly in one or all of the following ways:

Payroll deduction	Talk to your payroll area and ask them to pay an amount from your after-tax money each pay period.
BPAY	Pay as often as you like through BPAY. Log in to your LGIASuper account securely through Member online for the biller code and reference number, then start making payments.
Cheque or money order	Send it to us with a completed <i>Personal contribution form</i> .

## Claim a tax deduction for your efforts

Everyone under age 65 and those aged 65 to 74 who satisfy the work test can claim a tax deduction for their personal contributions. While personal contributions are paid from after-tax money, when claimed as a tax deduction they will count towards the concessional contributions cap and be taxed at 15%. Our *Superannuation tax info sheet* has more information

## Get super support from the government

If you are employed and your annual income is less than \$52,697 (2018/19) you could be eligible to receive the Australian Government's super co-contribution. For every \$1 you put in to your super from your after-tax pay you could receive 50 cents from the Australian Government (up to a maximum of \$500). Our *Support for low to middle-income earners info sheet* has more details.

## Make an after-tax contribution for your spouse

If you make an after-tax contribution of at least \$3,000 to your partner's super you'll help them grow their savings and save a little extra on tax yourself. To receive the full tax offset of \$540, your spouse must have an annual income of less than \$37,000. The offset gradually reduces for income above this level and completely phases out at a total annual income above \$40,000. Rules apply. Read our *Super for your partner info sheet* to learn more.

## Consider salary sacrifice

If your employer agrees, you can arrange to salary sacrifice your super contributions. This is where you agree to forego some of your before-tax pay and have your employer pay that amount directly into your LGIASuper account.

By putting money into your super this way, you pay less income tax and have more money working for you in your super account. You could also take home more pay.

While salary sacrifice isn't for everyone, it may suit you if your marginal tax rate is higher than 15% (typically those who earn over \$37,000 each year). Our *Salary sacrifice info sheet* explains how this works in more detail.

These contributions are known as concessional contributions and limits apply. It's important to remember that employer contributions and any contribution you claim as a tax deduction count towards the concessional contributions cap.

## Contributions tax applies

15% contributions tax applies to salary sacrifice contributions, employer contributions and contributions for which a tax deduction is claimed.

## Tell us your tax file number (TFN)

If you don't tell us your TFN, your concessional contributions could be taxed at a much higher rate, as will any benefits paid to you. You'll also miss out on the Australian Government's super co-contribution (if you're eligible to receive it) and we cannot accept any personal contributions to your account.

## Any questions?

We're here to help. Our trusted and reliable team can work with you to grow your savings and plan a strong financial future. Call us on **1800 444 396** or visit our website at **lgiasuper.com.au**.

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